Financial Statements and Independent Auditor's Report

Wipro Technologies Nigeria Limited

31st March 2021

MSKA
& Associates
Chartered Accountants

SV Tower, No. 27, Floor 4
80 Feet Road, 6th Block, Koramangala
Bengaluru 560095, INDIA
Tel: +91 80 6811 1600

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Wipro Technologies Nigeria Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Wipro Technologies Nigeria Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss, 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 and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those 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 Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1B to the financial statements which describe the basis of accounting.

Other Matter

Comparative financial information for the year ended 31 March 2020 prepared in accordance with IND AS included ln these financial statements are unaudited.

Our Opinion is not modified in respect of this matter.

Restriction on Distribution and Use

The financial statements are prepared to assist the Company in consolidation of its accounts with the Ultimate Holding Company. As a result, the financial statements may not be suitable for another purpose.

Our report is intended solely for the information of the Company's and its ultimate holding company's board of directors for their internal use and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, the Company's and ultimate holding company's board of directors, for our audit work, for this report, or for the opinions we have formed.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Ganesh Udupa A
Partner

Membership No. 224152
UDIN: 21224152AAAAAK3084
Place: Bengaluru
Date: June 15, 2021

MSKA
& Associates
Chartered Accountants

SV Tower, No. 27, Floor 4
80 Feet Road, 6th Block, Koramangala
Bengaluru 560095, INDIA
Tel: +91 80 6811 1600

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF WIPRO TECHNOLOGIES NIGERIA LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Ganesh Udupa A
Partner
Membership No. 224152
UDIN: 21224152AAAAAK3084

Place: Bengaluru
Date: June 15, 2021

Wipro Technologies Nigeria Limited
Balance Sheet as at 31 March 2021
(Amount in '000 NGN, except share and per share data, unless otherwise specified)

	Note	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	5	2,851	10,587
Right of use Assets	6	96,739	-
Financial assets			
Other financial assets	7	882	-
Other non-current assets	8	-	-
Non-current tax assets (net)	9	173,600	147,034
		274,072	**157,621**
Current assets			
Financial assets			
Trade receivables	10	1,123,660	1,095,565
Unbilled Receivables		9,476	104,316
Cash and cash equivalents	11	2,052,350	1,657,322
Other financial assets	7	955	925
Other current assets	8	8,373	13,184
		3,194,814	**2,871,312**
		3,468,886	**3,028,933**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	12	16,300	16,300
Other equity	13	795,418	606,378
		811,718	**622,678**
Liabilities			
Non-current liabilities			
Financial liabilities			
Finance leases	26	-	-
Employee benefit obligations	14	1,575	975
Deferred tax liabilities	24(b)	3,471	2,200
		5,046	**3,175**
Current liabilities			
Financial liabilities			
Trade Payables	15		
i)total outstanding dues of micro enterprises and small enterprises		-	-
		134,362	154,640
Finance leases	26	67,720	-
Other financial liabilities	16	2,312,278	1,990,107
Contract Liablities		74,552	193,015
Employee benefit obligations	14	1,392	1,506
Other liabilities	17	61,818	63,812
		2,652,122	**2,403,080**
		3,468,886	**3,028,933**
		-	-
Summary of significant accounting policies	2		

The accompanying notes are an integral part of these financial statements 1-34

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors of
Wipro Technologies Nigeria Limited

DocuSigned by:
Guruprasad Bhat
DAEFE8902278409...

Ganesh Udupa A
Partner
Membership No: 224152

Place: Bangalore
Date: June 15, 2021

Thomas George
Director

Place: Bangalore
Date: June 15, 2021

Guruprasad Bhat
Director

Place: Bangalore
Date: June 15, 2021

Wipro Technologies Nigeria Limited
Statement of Profit and Loss for the year ended 31 March 2021
(Amount in '000 NGN, except share and per share data, unless otherwise specified)

	Notes	Year ended 31 March 2021	Year ended 31 March 2020
REVENUE			
Revenue from operations	18	1,394,316	1,836,844
Other income	19	492	100,890
Total income		**1,394,808**	**1,937,734**
EXPENSES			
Employee Benefit Expenses	20	320,551	181,997
Depreciation and amortisation expense	5&6	45,060	5,345
Finance costs	21	4,892	4,778
Other expenses	22	731,158	1,098,635
Total expenses		**1,101,661**	**1,290,755**
Profit/(Loss) before tax		293,147	646,979
Current tax		102,836	(7,754)
Deferred tax		1,271	49,414
Tax expense		**104,107**	**41,660**
Profit/(Loss) for the year		**189,040**	**605,319**
Total comprehensive income/(loss) for the year		**189,040**	**605,319**
Earnings / (Loss) per share			
Basic and Diluted earnings /(loss) per share (INR)	23	**1,890**	**6,053**
See accompanying notes to financial statements	1-34		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

Ganesh Udupa A
Partner
Membership No: 224152

Place: Bangalore
Date: June 15, 2021

For and on behalf of the Board of Directors of
Wipro Technologies Nigeria Limited

DocuSigned by:
Guruprasad Bhat
DAEFE8902278409...

Thomas George
Director

Place: Bangalore
Date: June 15, 2021

Guruprasad Bhat
Director

Place: Bangalore
Date: June 15, 2021

Wipro Technologies Nigeria Limited
Statement of cash flows for the year ended 31 March 2021
(Amount in '000 NGN, except share and per share data, unless otherwise specified)

	Year ended 31 March 2021	Year ended 31 March 2020
A. Cash flow from operating activities		
Profit / (Loss) for the year	293,147	646,979
Adjustments		
Allowances for impairment on other receivables	-	(62,861)
Depreciation and amortization	7,736	5,345
Unrealised exchange differences - net	3	3
Interest income	(492)	(36,337)
Interest expense	3,202	314
Operating profit / (loss) before working capital changes	**303,596**	**553,443**
Adjustments for working capital changes:		
Trade and other receivables	70,641	(485,702)
Trade and other payables	544,523	51,909
Net cash (used in) operations	**918,760**	**119,650**
Direct taxes (paid) / refund	(129,403)	-
Net cash (used in) operating activities	**789,357**	**119,650**
Cash flows from investing activities:		
Acquisition of plant and equipment (including advances)	(96,739)	(9,724)
Interest Income	492	36,337
Net cash generated by / (used in) investing activities	**(96,247)**	**26,613**
Cash flows from financing activities:		
Creation of lease liability	69,388	-
Finance cost for lease liability	(1,668)	-
Tax on Dividend	-	(29,400)
Interest expense	(3,202)	(314)
Dividend paid	(362,600)	-
Net cash generated by / (used in) financing activities	**(298,082)**	**(29,714)**
Net increase / (decrease) in cash and Cash equivalents during the year	395,028	116,549
Cash and cash equivalents at the beginning of the year	1,657,322	1,540,773
Effect of exchange rate changes on Cash		-
Cash and cash equivalents at the end of the year (refer note 11)	**2,052,350**	**1,657,322**

See accompanying notes to the financial statements 1-34

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors of
Wipro Technologies Nigeria Limited

DocuSigned by:
Guruprasad Bhat
DAEFE8902278409...

Ganesh Udupa A
Partner
Membership No: 224152

Place: Bangalore
Date: June 15, 2021

Thomas George
Director

Place: Bangalore
Date: June 15, 2021

Guruprasad Bhat
Director

Place: Bangalore
Date: June 15, 2021

Wipro Technologies Nigeria Limited
Statement of changes in equity for the year ended 31st March 2021
(Amount in '000 NGN, except share and per share data, unless otherwise specified)

(A) Equity share capital

	As at 31 March 2021		As at 31 March 2020	
	No. of shares	**Amount**	**No. of shares**	**Amount**
Equity shares of 163 NGN each issued, subscribed and fully paid				
Opening	100	16,300	100	16,300
Add: issue during the year	-	-	-	-
Closing	**100**	**16,300**	**100**	**16,300**

(B) Other equity

	Reserve and surplus			Total
	Securities premium	General reserve	Retained earnings	
Balance as at 1 April 2019	-	-	393,059	393,059
Transactions with owners directly recorded in equity	-	-	(392,000)	(392,000)
Profit/(Loss) for the year	-	-	605,319	605,319
Other comprehensive income	-	-	-	-
Total other comprehensive income for the year	-	-	606,378	606,378
Balance as at 31 March 2020	-	-	606,378	606,378

	Reserves and surplus			Total
	Securities premium	General reserve	Retained earnings	
Balance as at 1 April 2020	-	-	606,378	606,378
Profit/(Loss) for the year	-	-	189,040	189,040
Other comprehensive income	-	-	-	-
Total other comprehensive income for the year	-	-	795,418	795,418
Balance as at 31 March 2021	-	-	795,418	795,418

See accompanying notes to the financial statements 1-34

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors of
Wipro Technologies Nigeria Limited

DocuSigned by:
Guruprasad Bhat
DAEFE8902278409...

Ganesh Udupa A
Partner
Membership No: 224152

Place: Bangalore
Date: June 15, 2021

Thomas George
Director

Place: Bangalore
Date: June 15, 2021

Guruprasad Bhat
Director

Place: Bangalore
Date: June 15, 2021

1 General Information

Wipro Technologies Nigeria Limited is a subsidiary of Wipro Technologies South Africa (Proprietary) Ltd, incorporated and domiciled in Nigeria.The principal activity of the Company is to engage in consultancy in matters related to information technology in retail space.The functional currency of the Company is NGN. The Company's ultimate holding company, Wipro Limited ("Wipro") is incorporated and domiciled in India.

2 Significant accounting policies

2.1 Basis of preparation of financial statements

(i) Statement of compliance and basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ("the Companies Act"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accounting policies have been applied consistently to all periods presented in these financial statements.

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

(ii) Basis of Measurement

These financial statements have been prepared on a historical cost convention and on an accrual basis.

(iii) Use of estimates and judgement

The preparation of the financial statements in conformity with IND AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.2 Financial Instruments

Non-derivative financial instruments:

Non derivative financial instruments consist of:

- financial assets ,which includes cash and cash equivalents,trade receivables and eligible current and non current asset;
- finacial liabilities,which includes trade payables,eligible current and non current liabilities.

These financial instruments are recognised initially at fair value.Financial assets are derecognised when substantial risks and rewards of ownership of the financial asset has been transferred. In cases where substantial risks and rewards of ownership of the financial asset are neither transfered or retained ,financial asset are de-recognised only when the Company has not retained control over the financial asset.

Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

A. Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.
For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

B. Other financial assets

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment losses. These comprise trade receivables and other assets.

C. Trade and Other Payables

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

2.3 Revenue recognition

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

Services:

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

A **Time and material contracts**

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

B **Fixed-price contracts**

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

'Unbilled revenues' represent cost and earnings in excess of billings as at the end of the reporting period.

'Unearned revenues' represent billing in excess of revenue recognized. Advance payments received from customers for which no services have been rendered are presented as 'Advance from customers'.

C **Maintenance Contracts**

Revenue from maintenance contracts is recognized rateably over the period of the contract using the percentage of completion method. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognized on a straight-line basis over the specified period unless some other method better represents the stage of completion.

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

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

D **Others**

The Company accounts for volume discounts and pricing incentives to customers by reducing the amount of revenue recognized at the time of sale. The Company accrues the estimated cost of warranties at the time when the revenue is recognized. The accruals are based on the Company's historical experience of material usage and service delivery costs. Costs that relate directly to a contract and incurred in securing a contract are recognized as an asset and amortized over the contract term.
Contract expenses are recognised as expenses by reference to the stage of completion of contract activity at the end of the reporting period.

E **Products:**

Revenue from sale of products is recognised when the significant risks and rewards of ownership has been transferred in accordance with the sales contract. Revenue from product sales is shown net of excise duty and net of sales tax separately charged and applicable discounts.

Other income

Interest is recognized using the time proportion method, based on the rates implicit in the transaction.

2.4 Property, plant and equipment

A Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

B Depreciation

The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are available for use. Assets acquired under finance lease and leasehold improvements are amortized over the shorter of estimated useful life of the asset or the related lease term. Term licenses are amortized over their respective contract term. Freehold land is not depreciated. The estimated useful life of assets are reviewed and where appropriate are adjusted, annually. The estimated useful lives of assets are as follows

Category	Useful life
Buildings	28 to 40 years
Plant and machinery	5 to 21 years
Computer equipment and software	2 to 7 years
Furniture, fixtures and equipment	3 to 10 years
Vehicles	4 to 5 years

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

The cost of property, plant and equipment not available for use before each reporting date are disclosed under capital work- in-progress. Deposits & advances paid towards acquisition of property, plant and equipment outstanding at each balance sheet date are shown as capital advances under the head of other non-current assets.

2.5 Intangible assets

Intangible assets acquired separately are measured at cost of acquisition. Intangible assets acquired in a business combination are measured at fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

The amortization of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated.

2.6 Foreign currency transactions and translations

Functional currency

The functional currency of the Company is Nigerian Naira. These financial statements are presented in Nigerian Naira.

Transaction

The Company is exposed to currency fluctuations on foreign currency transactions. Foreign currency transactions are accounted in the books of account at the exchange rates prevailing on the date of transaction. Monetary foreign currency assets and liabilities at period-end are translated at the exchange rate prevailing at the date of Balance Sheet. The exchange difference between the rate at which foreign currency transactions are accounted and the rate at which they are re-measured/ realized is recognized in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.7 Employee benefits

Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognizes accumulated compensated absences based on actuarial valuation carried out by independent actuary using the projected unit credit method. Non-accumulating compensated absences are recognized in the period in which the absences occur. The Company recognizes actuarial gains and losses immediately in the statement of profit and loss account.

Pension and social contribution

Pension and social contribution plan, a defined contribution scheme, the Company makes monthly contributions based on a specified percentage of each covered employee's salary.

2.8 Taxes

Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.9 Leases

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Lease rentals in respect of assets taken under operating leases are charged to statement of profit and loss on a straight line basis over the lease term.

Also initial direct cost incurred in operating lease such as commissions, legal fees and internal costs is recognised immediately in the Statement of Profit and Loss.

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2.10 Cash flow statement

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

2.11 Equity and share capital

(a) Share capital

The authorized share capital of the Company as of March 31, 2021 is NGN 16,300,000 divided into 100,000 (31 March 2020: 16,300,000) equity shares of NGN 163 par value

The voting right of an equity share holder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity. Voting right cannot be exercised in respect of shares on which any call or other sums presentably payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture.

(b) Retained earnings

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

2.12 Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be anti-dilutive.

2.13 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The Company records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.14 <u>Impairment of non-financial assets</u>

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets.

2.15 Inventories

Inventories are valued at the lower of cost and net realisable value.

Materials, packaging materials and stores and spare parts are valued at lower of cost and net realizable value. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.

3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation.

(b) **Defined benefit plans - leave encashment**

The cost of the defined benefit plans such as leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary etc. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis.

4A New Accounting standards adopted by the Company

The accounting policies adopted in the preparation of the standalone financial statements are consistent with those followed in the preparation of the Company's annual standalone financial statements for the year ended March 31, 2021.

Amendment to Ind AS 1 and Ind AS 8 - Definition of Material

The Ministry of Corporate Affairs (MCA) issued Amendment to Ind AS 1 Presentation of Financial Statements and Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors to update a new definition of material in Ind AS 1. The amendments clarify the definition of "material" and how it should be applied by including in the definition guidance that until now has featured elsewhere in Ind AS Standards. The new definition clarifies that, information is considered material if omitting, misstating, or obscuring such information, could reasonably be expected to influence the decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the MCA amended other Standards and the Conceptual Framework that contain a definition of material or refer to the term 'material' to ensure consistency. The adoption of the amendment to Ind AS 1 and Ind AS 8 did not have any material impact on its evaluation of materiality in relation to the financial statements.

Amendment to Ind AS 116 - Leases

The MCA issued amendments to Ind AS 16, "Leases", provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification. The amendments allowed the expedient to be applied to COVID-19-related rent concessions to payments originally due on or before June 30, 2021 and also require disclosure of the amount recognized in profit or loss to reflect changes in lease payments that arise from COVID-19-related rent concessions. The reporting period in which a lessee first applies the amendment, it is not required to disclose certain quantitative information required under Ind AS 8. Company did not get any rent concession to reverse the lease liability accordingly for the year ended March 31, 2021.

4B New Amendments not yet adopted by the Company

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance sheet:

• Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

• Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior perioc errors and restated balances at the beginning of the current reporting period.

• Specified format for disclosure of shareholding of promoters.

• Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset unde development.

• If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, ther disclosure of details of where it has been used.

• Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

• Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specifiec under the head 'additional information' in the notes forming part of consolidated financial statements.

The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

(Amount in '000 NGN, except share and per share data, unless otherwise specified)

5 Property, plant and equipment

	Computers	Office equipments	Total
Gross block (at cost)			
Balance as at 31 March 2019	6,511	**632**	**7,143**
Additions	9,724	-	9,724
Disposals/adjustment*	-	-	-
Balance as at 31 March 2020	**16,235**	**632**	**16,867**
Additions	-	-	-
Disposals/adjustment*	-	(632)	(632)
Balance as at 31 March 2021	**16,235**	**-**	**16,235**
Accumulated depreciation			
Balance as at 31 March 2019	**382**	**553**	**935**
Depreciation charge	5,267	78	**5,345**
Disposals/adjustment*	-	-	**-**
Balance as at 31 March 2020	**5,649**	**631**	**6,280**
Depreciation charge	7,735	1	**7,736**
Disposals/adjustment*	-	(632)	**(632)**
Balance as at 31 March 2021	**13,384**	**-**	**13,384**
Net block			
Balance as at 31 March 2020	**10,586**	**1**	**10,587**
Balance as at 31 March 2021	**2,851**	**-**	**2,851**

* Includes regrouping/reclassification within the block of assets.

(Amount in '000 NGN, except share and per share data, unless otherwise specified)

6 Right of use assets

	Right of use asset	Total
Gross block (at cost)		
Balance as at 31 March 2019	**-**	**-**
Additions	-	**-**
Disposals/adjustment		**-**
Balance as at 31 March 2020	**-**	**-**
Additions	134,064	134,064
Disposals/adjustment	-	-
Balance as at 31 March 2021	**134,064**	**134,064**
Accumulated depreciation		
Balance as at 31 March 2019	**-**	**-**
Depreciation charge		**-**
Disposals/adjustment*		**-**
Balance as at 31 March 2020	**-**	**-**
Depreciation charge	37,325	**37,325**
Disposals/adjustment		**-**
Balance as at 31 March 2021	**37,325**	**37,325**
Net block		
Balance as at 31 March 2020	**-**	**-**
Balance as at 31 March 2021	**96,739**	**96,739**

Wipro Technologies Nigeria Limited

Summary of significant accounting policies and other explanatory information

(Amount in '000 NGN, except share and per share data, unless otherwise specified)

		As at 31 March 2021	As at 31 March 2020
7	**Other financial assets**		
	Non-current		
	Security deposits	882	-
	Less: Amortisation of deposit		-
		882	**-**
	Current		
	Security deposits	925	925
	Employee travel & other advances	30	-
	Balance with Group Companies	-	-
		955	**925**
8	**Other assets**		
	Non-current		
	Prepaid Expenses	-	-
		-	**-**
	Current		
	Interest accrued but not due	-	239
	Balances with government authorities	-	-
	Prepaid expenses	8,373	12,945
		8,373	**13,184**
9	**Tax assets (net)**		
	Non-current		
	Taxes deducted at source	197,463	160,395
	Less: Allowance for impairment of withholding tax receivables	(104,796)	(51,020)
		92,667	109,375
	Advance taxes (Net of provision)	80,933	37,659
		173,600	147,034
10	**Trade Receivables**		
	Unsecured		
	Considered good *	1,123,660	1,095,565
	Considered doubtful	-	-
	Less-Allowance for bad and doubtful debts	-	-
		1,123,660	**1,095,565**
	Further classified as:		
	Receivable from related parties	620,015	578,240
	Receivable from others	503,645	517,325
	*includes payable to related parties (refer note 27)		
11	**Cash and Cash equivalents**		
	Balances with banks		
	- in current account	2,052,350	207,322
	- in short term deposit	-	1,450,000
		2,052,350	**1,657,322**
12	**Share capital**		
	Authorised		
	100,000 (2020:100,000) equity shares of NGN 163 each	16,300	16,300
		16,300	**16,300**
	Issued, subscribed and paid-up		
	100,000 (2020:100,000) equity shares of NGN 163 each	16,300	16,300
		16,300	**16,300**

(Amount in '000 NGN, except share and per share data, unless otherwise specified)

12 Share capital (continued)

a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

	Number of shares	Amount
Outstanding at the beginning of the year	100	16,300
Add: Issued during the year	-	-
Outstanding at the end of the year	-	-
	100	**16,300**

(b) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares having par value of 163 NGN per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable in NGN. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares held by holding Company/ultimate holding Company and/ or their subsidiaries/ associates

	31st March 2021	
	Number of shares	% of holding in the class
Wipro Technologies South Africa (Proprietary) Ltd	99	99.00%
Wipro IT Services UK Societas (formerly Wipro IT Services SE)	1	1.00%
	100	100.00%

d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	31st March 2021	
	Number of shares	% of holding in the class
Wipro Technologies South Africa (Proprietary) Ltd	99	99.00%
Wipro IT Services UK Societas (formerly Wipro IT Services SE)	1	1.00%
	100	**100.00%**

e) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

f) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

13 Other equity

	As at 31 March 2021	As at 31 March 2020
Surplus/(deficit) in the Statement of Profit and Loss		
Opening balance	606,378	393,059
General Reserve	-	(392,000)
Add: Net profit/(loss) for the current year	189,040	605,319
Less: Re-measurement (gain)/loss on post employment benefit obligation (net of tax)	-	
Closing balance	**795,418**	**606,378**

(Amount in '000 NGN, except share and per share data, unless otherwise specified)

	As at 31 March 2021	As at 31 March 2020
14 Employee benefit obligation		
Non-current		
Employee benefit obligation- Provisions	1,575	975
	1,575	**975**
Current		
Employee benefit obligation- Provisions	1,392	1,506
	1,392	**1,506**
15 Trade Payables		
i)Total outstanding dues of micro enterprises and small enterprises	-	-
ii)Total outstanding dues of creditors other than micro enterprise and small enterprise	134,362	154,640
	134,362	**154,640**
16 Other financial liabilities		
Current		
Dues to employees	1,016	9,777
Balances due to related parties	-	-
Payable to group companies*	2,311,262	1,617,729
Balances due to related parties	-	-
Unpaid dividend	-	362,600
	2,312,278	**1,990,107**

*includes payable to related parties (refer note 27)

	As at 31 March 2021	As at 31 March 2020
17 Other liabilities		
Current		
Statutory liabilities	61,261	63,255
Other liabilities	557	557
	61,818	**63,812**

(Amount in '000 NGN, except share and per share data, unless otherwise specified)

		Year ended 31 March 2021	Year ended 31 March 2020
18	**Revenue from operations**		
	Sale of services	1,394,316	1,836,844
		1,394,316	**1,836,844**
19	**Other income**		
	Interest income	492	36,337
	Provision no longer required*	-	64,553
		492	**100,890**

*Provision comprises of the the bad debts written back for NGN NIL for the year 2020-21 (NGN: 64,552,604 FY - 2019-20)

		Year ended 31 March 2021	Year ended 31 March 2020
20	**Employee benefits expense**		
	Salaries and wages	320,140	180,353
	Staff welfare expenses	411	1,644
		320,551	**181,997**
21	**Finance Cost**		
	Interest on Finance lease obligations	3,202	-
	Interest on loans and Advances	-	314
	Bank Charges	1,690	4,464
		4,892	**4,778**
22	**Other expenses**		
	Sub contracting / technical fees / third party application	430,694	782,569
	Rent	44,899	103,306
	Repairs and Maintenance	-	305
	Travel	47,780	79,992
	Legal and professional charges	52,651	44,418
	Subscription and membership fee	1,749	3,103
	Power and fuel	6,985	14,398
	Provision/write off of bad debts	53,775	-
	Rates and Taxes	41,922	27,889
	Information technology development levy	2,931	6,470
	Advertisement and Sales Promotion	27	-
	Communication	3,194	6,487
	Miscellaneous expenses	2,641	2,260
	Loss on foreign exchange adjustments, net	41,910	27,438
		731,158	**1,098,635**

23 Earning per share (EPS)

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

(Amount in '000 NGN, except share and per share data, unless otherwise specified)

23 Earning per share (EPS) continued.,

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

	31 March 2021	31 March 2020
Profit attributable to equity holders	189,040	605,319
Less: Preference dividend after-tax	-	-
Profit attributable to equity holders after preference dividend	189,040	605,319
Add: Interest on convertible preference shares	-	-
Profit attributable to equity holders adjusted for the effect of dilution	189,040	605,319
Weighted average number of equity shares - for basic and diluted earning per share	100	100
Earnings per share - Basic and diluted	**1,890**	**6,053**

24(a) Current tax

	31 March 2021	31 March 2020
Profit Before Taxation	293,147	646,979
Enacted Income Tax Rate		
Income tax	30%	30%
Tertiary Education Tax	2%*	2%*
Police Trust Fund	0.005%**	0.005%**
Computed Expected Tax Expenses		
Income tax	101,723	136,614
Tertiary Education Tax and Police Trust Fund	6,831	9,265
Effect of		
Adjustments for current tax of prior periods		
Excess tax provision of previous years	(5,718)	(153,633)
Income tax expense	102,836	(7,754)

*Tertiary Education Tax is computed on the Taxable profit @ 2% (before adjustment of tax depreciation)

*Police Trust Fund is computed on profit before tax reduced by income tax and teritory education tax as payable above at the rate of 0.005%

24(b) **Deferred tax**

The components of deferred tax assets and liabilities are as follows:

	31 March 2021	31 March 2020
Deferred tax assets (DTA)		
Accrued expenses		
Property, plant and equipment (Reversal)	(1,712)	(1,542)
Provision/ Allowance for dimunition of asset (Reversal)	(178)	(37,162)
Unrealised loss on foreign exchange transactions	-	(10,711)
Impact of right of use asset (Net)	620	-
Others (loss)	-	-
Total	(1,270)	(49,415)
Deferred tax liabilities (DTL)		
Unrealised profit on foreign exchange transactions	2,542	-
Others		
Total	2,542	-
Net Deferred Tax Charge / (Benefit) for the year	**1,272**	**49,415**
Deferred Tax Asset/(Liability)		
Opening balance	2,200	(47,215)
Closing balance	3,472	2,200

(Amount in '000 NGN, except share and per share data, unless otherwise specified)

25 Employee Benefits

(i) Short term employee benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. The Company recognises wages, salaries, bonuses and other allowances for current employees in the income statement as the employees render such services.

A liability is recognised for the amount expected to be paid under short - term benefits if the Company has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined contribution plan

The Company operates a defined contribution plan as stipulated in the Pension Reform Act, 2014. Under the defined contributory scheme, the Company contributes 10%, while its employees contribute 8% of their annual basic, housing and transport allowances to the scheme. Once the contributions have been paid, the Company retains no legal and constructive obligation to pay further contributions if the fund does not hold sufficient assets to finance benefits accruing under the retirement benefit plan. The Company's obligations are recognised in the income statement as administrative expenses (employee benefits) when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or reduction in the future payments is available.

26 Leases

a) Operating Leases:

The Company has taken on lease office under cancellable and non cancellable lease agreements those are renewable on a periodic basis at the option of both the lessor and the lessee. Rental payments under such leases are 356,101 NGN and 356,101 NGN during the years ended March 31,2021 and March 31, 2020, respectively.
The Company has also given an equipment under non cancellable lease agreement those are renewable on a periodic basis at the option of both the lessor and the lessee.

Details of contractual payments under non cancellable leases are given below

	As at 31 March 2021	As at 31 March 2020
Not later than 1 year	44,899	103,306
Later than 1 year but not later than 5 years	-	-
Later than 5 years	-	-
	44,899	103,306

b) Finance Leases Payables:

The following is a schedule of present value of future minimum lease payments under finance leases, together with the value of minimum lease payments

Present value of minimum lease payments	As at 31 March 2021	As at 31 March 2020
Not later than 1 year	69,388	-
Later than 1 year and not later than 5 years	-	-
	69,388	-
Total present value of minimum lease payments	69,388	-
Less: Amount representing interest	(1,668)	-
Total value of minimum lease payments	**67,720**	**-**

(Amount in '000 NGN, except share and per share data, unless otherwise specified)

27 Related party disclosure

Related party disclosure

a) Parties where control exists:

Name	**Relationship**
Wipro Limited	Ultimate Holding company
Wipro Technologies South Africa (Proprietary) Ltd	Holding Company
Wipro IT Services UK Societas (formerly Wipro IT Services SE)	Holding Company
Wipro Travel Services Limited	Fellow subsidiary
Wipro Holdings (UK) Ltd	Fellow subsidiary
Wipro Digital	Fellow subsidiary

b) The Company has the following related party transactions:

Particulars	**Relationship**	**As at 31 March 2021**	**As at 31 March 2020**
Cost of Services			
Wipro limited	Ultimate Holding Company	234,980	580
Reimbursement of Expenses			
Wipro limited	Ultimate Holding Company	13,940	6,302

c) Payable to related parties as at year end are summarised below:

Trade & other payables	**As at 31 March 2021**	**As at 31 March 2020**
Wipro Limited	1,870,571	1,545,683
Wipro Travel Services Limited	56,862	51,940
Wipro Technologies South Africa (Proprietary) Limited	359,232	188
Wipro IT Services UK Societas (formerly Wipro IT Services SE)	3,528	-
Interest on loan from inter companies		
Wipro Holdings (UK) Ltd	21,069	19,916

d) Receivable from related Company

	As at 31 March 2021	**As at 31 March 2020**
Wipro Limited	20,709	20,709
Wipro Technologies South Africa (Proprietary) Limited	599,306	557,532

28 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment . Thus, as defined in Ind AS 108 “Operating Segments”, the Company’s entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

29 Commitment and contingencies

	As at 31 March 2021	**As at 31 March 2020**
Contingent liabilities to the extent not provided for:	-	-
Guranteees given by the banks on behalf of the company	-	-
Total	-	-

(Amount in '000 NGN, except share and per share data, unless otherwise specified)

30 Fair values of financial assets and financial liabilities

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

The fair value of cash and cash equivalents, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments.

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

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

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company does not forsee such a risk as its current assets (excluding intercompany balance) are greater than its current liability (excluding intercompany balance)

31 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.
The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate (or any other material currency), with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities). The Company's exposure to foreign currency changes for all other currencies is not material.

	Effect on profit before tax	
	31 March 2021	**31 March 2020**
USD		
- strengthened 5% (2020: 5%)	(59,803)	(5,275)
- weakened 5% (2020: 5%)	59,803	5,275
INR		
- strengthened 5% (2020: 5%)	(637)	(691)
- weakened 5% (2020: 5%)	637	691

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables from deposits with landlords and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

(Amount in '000 NGN, except share and per share data, unless otherwise specified)

(B) Credit risk (Continued)

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does a proper financial and credibility check on the landlords before taking any property on lease and hasn't had a single instance of non-refund of security deposit on vacating the leased property. The Company also in some cases ensure that the notice period rentals are adjusted against the security deposits and only differential, if any, is paid out thereby further mitigating the non-realization risk. The Company does not foresee any credit risks on deposits with regulatory authorities.

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. (For example: The key liquidity risk the Company can face is the risk of subscription fee refund. As per the Company policy, no refunds are allowed once a subscription has been taken and it is only in exceptional cases that fee is refunded with proper approvals from senior Management. The Management believes that the probability of a liquidity risk arising due to fee refund is not there).

The table below summarizes the maturity profile of the Company's financial liabilities:

	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years
31-Mar-21				
Short term borrowings	-	-	-	-
Long-term borrowings	-	-	-	-
Trade payables	-	134,362	-	-
Other financial liability	-	2,312,278	-	-
	-	2,446,640	-	-
31-Mar-20				
Short term borrowings	-	-	-	-
Long-term borrowings	-	-	-	-
Trade payables	-	154,640	-	-
Other financial liability	-	1,990,107	-	-
	-	2,144,746	-	-

32 Capital management

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

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing which represents liability component of Convertible Preference Shares and current borrowing from ultimate holding company of the Company. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		31 March 2021	31 March 2020
Equity Share Capital		16,300	16,300
Other Equity		795,418	606,378
Total equity	(i)	**811,718**	**622,678**
Borrowings other than convertible preference shares		-	-
Less: cash and cash equivalents		2,052,350	1,657,322
Total debt	(ii)	**(2,052,350)**	**(1,657,322)**
Overall financing	(iii) = (i) + (ii)	(1,240,632)	(1,034,644)
Gearing ratio	(ii)/ (iii)	1.65	1.60

33 Impact of Covid-19 on Going concern assumption

The World Health Organization announced a global health emergency because of a new strain of coronavirus (“COVID-19”) and classified its outbreak as a pandemic on March 11, 2020. The impact on future operations would, to a large extent, depend on how the pandemic further develops and it’s resultant impact on the operations of the Company. The Company continues to monitor the situation and take appropriate action, as considered necessary in due compliance with the applicable regulations.

The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2021and has concluded that there is no impact which is required to be recognized in the financial statements. Accordingly, no adjustments have been made to the financial statements.

The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition owing to changes in cost budgets of fixed price contracts, impact on leases and impact on effectiveness of its hedges, etc. whenever the same is applicable. The Company has carried out this assessment based on available internal and external sources of information up to the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

34 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

Ganesh Udupa A
Partner
Membership No: 224152
Place: Bangalore
Date: June 15, 2021

For and on behalf of the Board of Directors of
Wipro Technologies Nigeria Limited

Thomas George
Director
Place: Bangalore
Date: June 15, 2021

DocuSigned by:
Guruprasad Bhat
DAEFE8902278409...

Guruprasad Bhat
Director
Place: Bangalore
Date: June 15, 2021