9. Taxation

	Group		Company	
	31 March 2022 Rm	31 March 2021 Rm	31 March 2022 Rm	31 March 2021 Rm
Taxation	**(1 167)**	(1 067)	**(313)**	(164)
South African normal company taxation	**(820)**	(870)	**11**	54
Current taxation[1]	**(827)**	(945)	**–**	–
Overprovision for prior year[2]	**7**	75	**11**	54
Deferred taxation (refer to note 17)	**(347)**	(197)	**(324)**	(218)
Capital allowances[3]	**(492)**	(156)	**(566)**	(154)
Provisions and other allowances	**(186)**	(196)	**(127)**	(264)
Tax losses[1]	**353**	234	**345**	234
Acquisition of BCX	**8**	9	**–**	–
Tax rate change	**(24)**	–	**(15)**	–
(Underprovision)/overprovision for prior year[2]	**(6)**	(88)	**39**	(34)

Reconciliation of taxation rate	**%**	%	**%**	%
South African normal rate of taxation	**28.0**	28.0	**28.0**	28.0
Increased/(decreased) by the following adjustments:	**2.7**	2.5	**(21.9)**	(19.3)
Non-taxable income	**(0.3)**	(0.2)	**(22.6)**	(22.9)
Dividends received	**(0.2)**	–	**(22.5)**	(22.3)
Profit on sale of assets	**(0.1)**	(0.1)	**(0.1)**	–
Cell captive fair value adjustments	**–**	(0.1)	**–**	(0.3)
Other exempt income	**–**	–	**–**	(0.3)
Non-deductible expenditure	**2.4**	2.3	**1.2**	4.6
Capital expenditure[3]	**1.6**	0.6	**0.8**	0.7
IFRS 2 share-based payment adjustments	**0.1**	0.5	**0.1**	0.4
Interest and penalties	**0.1**	0.5	**–**	–
Other disallowed expenditure[4]	**0.6**	0.7	**0.3**	3.5
Prior year adjustments	**(0.1)**	0.4	**(0.8)**	(1.0)
Prior year (overprovision)/underprovision tax expense[2]	**(0.1)**	0.4	**(0.8)**	(1.0)
Other taxes	**0.7**	–	**0.3**	–
Tax rate change[5]	**0.7**	–	**0.3**	–
Effective rate[2]	**30.7**	30.5	**6.1**	8.7

1 *The decrease in current tax is primarily attributable to the increase in tax losses.*
2 *The effective tax rate increase of 0.2% to 30.7% (FY2021: 30.5%) is primarily attributable to the the tax rate change set off by a reduction in prior year adjustments.*
3 *The increase of 1% in the non-deductible expenditure relating to fixed assets to 1.6% (FY2021: 0.6%) is attributable to an increase in assets scrapped (that do not qualify for tax deductions), reduction of adjustments to intangible assets from FY2021 to FY2022 and an increase in project loss write-offs on assets.*
4 *Other comprises mainly of consulting fees, legal fees and donations which are not tax deductible.*
5 *As per the announcement by the Minister of Finance in the 2022 budget speech, the corporate tax rate is changing from 28% to 27% effective for years of assessment ending on or after 31 March 2023. The reduction of the corporate tax rate resulted in a reduction of the Group's deferred tax asset balance to align to the future utilisation thereof.*