

WIPRO LTD  
Form 20-F  
May 26, 2016  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**FORM 20-F**

(Mark One)

**Registration statement pursuant to section 12(b) or (g) of the Securities Exchange Act of 1934**  
**OR**

**Annual Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**  
**For the fiscal year ended March 31, 2016**

**OR**

**Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**  
**For the transition period from \_\_\_\_\_ to \_\_\_\_\_**

**OR**

**Shell Company Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**  
**Date of event requiring this shell company report \_\_\_\_\_**

**Commission File Number 001-16139**

**WIPRO LIMITED**

**(Exact name of Registrant as specified in its charter)**

**Not Applicable**

**(Translation of Registrant's name into English)**

**Bangalore, Karnataka, India**

**(Jurisdiction of incorporation or organization)**

**Doddakannelli**

**Sarjapur Road**

**Bangalore, Karnataka 560035, India**

**+91-80-4672-6603**

**(Address of principal executive offices)**

**Jatin Pravinchandra Dalal, Chief Financial Officer**

**Phone: +91-80-4672-6603; Fax: +91-80-2844-0051**

**(Name, telephone, email and/or facsimile number and address of company contact person)**

**Securities registered or to be registered pursuant to Section 12(b) of the Act:**

<b>Title of each class</b>	<b>Name of each exchange on which registered</b>
<b>American Depositary Shares, each represented by one Equity Share, par value 2 per share.</b>	<b>New York Stock Exchange</b>

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**Securities registered or to be registered pursuant to Section 12(g) of the Act:**

**None**

**(Title of Class)**

**Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:**

**Not Applicable**

**(Title of Class)**

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 2,470,713,290 **Equity Shares**.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act, 1934. Yes  No

Note: Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP  International Financial Reporting Standards as issued by the  Other

International Accounting Standards Board

If  Other has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17

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If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

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**Currency of Presentation and Certain Defined Terms**

In this Annual Report on Form 20-F, references to "U.S." or "United States" are to the United States of America, its territories and its possessions. References to "India" are to the Republic of India. References to "U.K." are to the United Kingdom. Reference to "\$" or "US\$" or "dollars" or "U.S. dollars" are to the legal currency of the United States, reference to "£" or "Pound Sterling" or "GBP" are to the legal currency of United Kingdom and references to "Rs." or "rupees" or "rupees" are to the legal currency of India. All amounts are in Indian rupees or in U.S. dollars unless stated otherwise. Our financial statements are presented in Indian rupees and translated into U.S. dollars solely for the convenience of the readers and are prepared in accordance with the International Financial Reporting Standards and its interpretations ("IFRS"), as issued by the International Accounting Standard Board ("IASB"). References to "Indian GAAP" are to Indian Generally Accepted Accounting Principles. References to a particular "fiscal year" are to our fiscal year ended March 31 of such year.

All references to "we," "us," "our," "Wipro" or the "Company" shall mean Wipro Limited and, unless specifically indicated otherwise or the context indicates otherwise, our consolidated subsidiaries. "Wipro" is our registered trademark in the United States and India. All other trademarks or trade names used in this Annual Report on Form 20-F are the property of their respective owners.

Except as otherwise stated in this Annual Report, all convenience translations from Indian rupees to U.S. dollars are based on the certified foreign exchange rates published by Federal Reserve Board of Governors on March 31, 2016, which was 66.25 per US\$ 1.00. No representation is made that the Indian rupee amounts have been, could have been or could be converted into United States dollars at such a rate or any other rate. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding. Information contained in our website, [www.wipro.com](http://www.wipro.com), is not part of this Annual Report.

**Forward-Looking Statements May Prove Inaccurate**

In addition to historical information, this Annual Report on Form 20-F contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements are not historical facts but instead represent our beliefs regarding future events, many of which are, by their nature, inherently uncertain and outside our control. As a result, the forward-looking statements contained herein are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in the forward-looking statements, and reported results should not be viewed as an indication of future performance. For a discussion of some of the risks and important factors that could affect the Company's future results and financial condition, please see the sections entitled "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Quantitative and Qualitative Disclosure About Market Risk."

The forward-looking statements contained herein are identified by the use of terms and phrases such as "ambition," "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "objectives," "outlook," "probably," and similar terms and phrases. Such forward-looking statements include, but are not limited to, statements concerning:

our strategy to finance our operations, including our planned construction and expansion;

future marketing efforts, advertising campaigns, and promotional efforts;

future growth and market share projections, including projections regarding developments in technology and the effect of growth on our management and other resources;

the effect of facility expansion on our fixed costs;

our future expansion plans;

our future acquisition strategy, including plans to acquire or make investments in complementary businesses, technologies, services or products, or enter into strategic partnerships with parties who can provide access to those assets;

the future impact of our acquisitions;

our strategy and intentions regarding new product branding;

the future competitive landscape and the effects of different pricing strategies;

the effect of current tax laws, including the branch profit tax;

the effect of future tax laws on our business

the outcome of any legal proceeding, hearing, or dispute (including tax hearings) and the resulting effects on our business;

our ability to implement and maintain effective internal control over financial reporting;

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projections that the legal proceedings and claims that have arisen in the ordinary course of our business will not have a material and adverse effect on the results of operations or the financial position of the Company;

expectations of future dividend payout;

projections that our cash and cash equivalent along with cash generated from operations will be sufficient to meet our working capital requirements and certain of our obligations;

our compensation strategy;

projections regarding currency transactions, including the effect of exchange rates on the Indian rupee and the U.S. dollar;

the nature of our revenue streams, including the portion of our IT Services revenue generated from a limited number of corporate clients;

the effect of a strategically located network of software development centers, and whether it will provide us with cost advantages;

our ability to anticipate and develop new services and enhance existing services in order to keep pace with rapid changes in technology;

projections regarding future economic policy, legislation, foreign investment, currency exchange and other policy matters that may affect our business;

the nature and flexibility of our business model;

expectations as to our future revenue, margins, expenses and capital requirements; and

our exposure to market risks.

We wish to ensure that all forward-looking statements are accompanied by meaningful cautionary statements, so as to ensure to the fullest extent possible the protections of the safe harbor established in the Private Securities Litigation Reform Act of 1995. Accordingly, all forward looking statements are qualified in their entirety by reference to, and are accompanied by, the discussion of certain important factors that could cause actual results to differ materially from those projected in such forward-looking statements in this report, including the sections entitled Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations. We caution the reader that this list of important factors may not be exhaustive. We operate in rapidly changing businesses, and new risk factors



emerge from time to time. We cannot predict every risk factor, nor can we assess the impact, if any, of all such risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those projected in any forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's analysis only as of the date hereof. In addition, readers should carefully review the other information in this Annual Report on Form 20-F and in the Company's periodic reports and other documents filed with the Securities and Exchange Commission (SEC) from time to time.

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PART I

**Item 1. Identity of Directors, Senior Management and Advisers**

Not applicable.

**Item 2. Offer Statistics and Expected Timetable**

Not applicable.

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The selected consolidated financial data should be read in conjunction with the consolidated financial statements, the related notes and operating and financial review and prospects which are included elsewhere in this Annual Report. The selected consolidated statements of income data for the five years ended March 31, 2016 and selected consolidated statements of financial position data as of March 31, 2012, 2013, 2014, 2015 and 2016 in Indian rupees have been derived from our audited consolidated financial statements and related notes, which have been prepared and presented in accordance with IFRS, as issued by the IASB. Historical results are not necessarily indicative of future results.

In accordance with IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations, the consolidated income statements have been adjusted retrospectively for all periods prior to the year ended March 31, 2013, and have been presented to reflect the completion of the demerger of the Company's consumer care and lighting, infrastructure engineering and other non-IT business segments (collectively, the Diversified Business) into Wipro Enterprises (P) Limited (formerly Wipro Enterprises Limited), effective on March 31, 2013. The Diversified Business is therefore presented as a discontinued operation.

	<b>(In millions, except per equity share data)</b>					
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2016 Convenience Translation into US\$(<sup>1</sup>)</b>
<b>Consolidated Statements of Income data:</b>						
<b>Continuing operations</b>						
Revenues	318,747	374,256	434,269	469,545	512,440	US\$ 7,735
Cost of revenues	(225,794)	(260,665)	(295,488)	(321,284)	(356,724)	(5,385)
Gross profit	92,953	113,591	138,781	148,261	155,716	US\$ 2,350
Selling and marketing expenses	(17,953)	(24,213)	(29,248)	(30,625)	(34,097)	(515)
General and administrative expenses	(18,416)	(22,032)	(23,538)	(25,850)	(28,465)	(430)
Foreign exchange gains/(losses), net	3,328	2,626	3,359	3,637	3,867	58
Results from operating activities	59,912	69,972	89,354	95,423	97,021	US\$ 1,463
Finance expense	(3,371)	(2,693)	(2,891)	(3,599)	(5,582)	(84)
Finance and other income	8,982	11,317	14,542	19,859	23,280	353
Profit before tax	65,523	78,596	101,005	111,683	114,719	US\$ 1,732
Income tax expense	(12,955)	(16,912)	(22,600)	(24,624)	(25,305)	(382)
	52,568	61,684	78,405	87,059	89,414	US\$ 1,350

**Profit for the year from continuing operations****Discontinued operations**

Profit after tax for the year from discontinued operations	3,419	5,012					
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<b>Profit for the year</b>	55,987	66,696	78,405	87,059	89,414	US\$	1,350
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**Profit attributable to:**

Equity holders of the Company	55,730	66,359	77,967	86,528	88,922	US\$	1,343
Non-controlling interest	257	337	438	531	492		7

<b>Profit for the year</b>	55,987	66,696	78,405	87,059	89,414	US\$	1,350
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**Profit from continuing operations attributable to:**

Equity holders of the Company	52,325	61,362	77,967	86,528	88,922	US\$	1,343
Non-controlling interest	243	322	438	531	492		7

	52,568	61,684	78,405	87,059	89,414	US\$	1,350
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## Basic earnings per equity share:

Continuing operations	21.36	25.01	31.76	35.25	36.20	US\$	0.55
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Discontinued operations	1.39	2.04					
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Continuing and discontinued operations	22.75	27.05	31.76	35.25	36.20	US\$	0.55
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## Diluted earnings per equity share:

Continuing operations	21.29	24.95	31.66	35.13	36.12	US\$	0.54
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Discontinued operations	1.39	2.03					
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Continuing and discontinued operations	22.68	26.98	31.66	35.13	36.12	US\$	0.54
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(In millions, except per equity share data)

	2012	2013	2014	2015	2016	2016 Convenience Translation into US\$( <sup>1</sup> )
Weighted average number of equity shares used in computing earnings per equity share( <sup>2</sup> ):						
Basic	2,449,777,457	2,453,218,759	2,454,745,434	2,454,681,650	2,456,559,400	2,456,559,400
Diluted	2,457,511,538	2,459,184,321	2,462,626,739	2,462,579,161	2,461,689,908	2,461,689,908
Cash dividend per equity share paid	6.00	6.00	8.00	10.00	12.00	US\$ 0.18
Additional data:						
Revenue by segment( <sup>3</sup> )						
IT Services	284,313	338,431	399,509	440,180	487,316	US\$ 7,356
IT Products	38,436	39,238	38,785	34,006	29,722	449
Consumer Care and Lighting (discontinued)	33,401	40,594				
Others (discontinued)	18,565	14,785				
Reconciling items	534	560	(666)	(1,004)	(731)	(11)
Total	375,249	433,608	437,628	473,182	516,307	US\$ 7,794
Segment results( <sup>3</sup> )						
IT Services	59,265	69,933	90,333	97,649	99,716	US\$ 1,505
IT Products	1,787	990	310	374	(864)	(13)
Consumer Care and Lighting (discontinued)	3,956	5,012				
Others (discontinued)	110	290				
Reconciling items	(1,105)	(1,079)	(1,289)	(2,600)	(1,831)	(28)

Total	64,013	75,146	89,354	95,423	97,021	US\$	1,464
<b>Consolidated Statements of Financial Position Data:<sup>(4)</sup></b>							
Cash and cash equivalents	77,666	84,838	114,201	158,940	99,049	US\$	1,495
Available for sale investments	41,961	69,171	63,233	57,775	137,851		2,081
Working capital <sup>(5)</sup>	155,803	162,663	218,534	272,463	287,030		4,335
Total assets	436,001	439,730	502,304	600,033	724,921		10,941
Total debt	58,958	63,816	51,592	78,913	125,221		1,890
Total equity	286,163	284,983	344,886	409,628	468,302		7,070
Number of shares outstanding	2,458,756,228	2,462,934,730	2,466,317,273	2,469,043,038	2,470,713,290		2,470,713,290

**Notes:**

1. Solely for the convenience of the readers, the selected consolidated financial data as of and for the year ended March 31, 2016, has been translated into United States dollars at the certified foreign exchange rate of US\$1 = 66.25, as published by Federal Reserve Board of Governors on March 31, 2016.
2. Adjusted for stock dividend and for the grant of one employee stock option for every 8.25 employee stock options held by each eligible employee as of the Record Date of the Demerger, pursuant to the terms of the Demerger Scheme effective March 31, 2013.
3. For the purpose of segment reporting, we have included the impact of exchange rate fluctuations in revenue. Further, finance income on deferred consideration earned under multi-year payment terms in certain total outsourcing contracts is included in the revenue of the respective segment and is eliminated under reconciling items. Please see Note 29 of the Notes to the Consolidated Financial Statements for additional details.
4. The financial position as of March 31, 2012, which is date prior to the date of the demerger, includes assets and liabilities of the Diversified Business.
5. Working capital equals current assets less current liabilities.

**Exchange Rates**

Fluctuations in the exchange rate between the Indian rupee and the U.S. dollar will affect the U.S. dollar equivalent of the Indian rupee price of our equity shares on the Indian stock exchanges and, as a result, will likely affect the market price of our American Depositary Shares ( ADSs ), listed on the New York Stock Exchange, and vice versa. Such fluctuations will also affect the U.S. dollar conversion by our depositary for the ADSs, J. P. Morgan ( Depositary ), of any cash dividends paid in Indian rupees on our equity shares represented by the ADSs.

The following table sets forth, for the fiscal years indicated, information concerning the amount of Indian rupees for which one U.S. dollar could be exchanged based on the certified foreign exchange rates published by the Federal Reserve Board of Governors. The column titled Average in the table below is the average of the certified foreign exchange rates on the last business day of each month during the year.

<b>Fiscal Year Ended March 31,</b>	<b>Period End</b>	<b>Average</b>	<b>High</b>	<b>Low</b>
2016	66.25	65.58	68.84	61.99
2015	62.31	61.34	63.67	58.30
2014	60.00	60.35	68.80	53.65
2013	54.52	54.36	57.13	50.64
2012	50.89	48.01	53.71	44.00



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On May 20, 2016, the certified foreign exchange rate published by the Federal Reserve Board of Governors was 67.42.

The following table sets forth the high and low exchange rates for the previous six months based on the certified foreign exchange rates published by the Federal Reserve Board of Governors on each business day during the period:

<b>Month</b>	<b>High</b>	<b>Low</b>
April 2016	66.70	66.05
March 2016	67.75	66.25
February 2016	68.84	67.57
January 2016	68.08	66.49
December 2015	67.10	66.00
November 2015	66.86	65.46

**Capitalization and Indebtedness**

Not applicable.

**Reasons for the Offer and Use of Proceeds**

Not applicable.

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**RISK FACTORS**

This Annual Report contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those set forth in the following risk factors and elsewhere in this Annual Report. The following risk factors should be considered carefully in evaluating us and our business.

**Risks related to our Company and our industry**

*Our revenues and expenses are difficult to predict because they can fluctuate significantly given the nature of the markets in which we operate. This increases the likelihood that our results could fall below our projections, ambition and expectations of investors and market analysts, which could cause the market price of our equity shares and American Depositary Shares ( ADSs ) to decline.*

Our results historically have fluctuated, may fluctuate in the future and may fail to match our past performance, our projections or ambition or guidance, our internal expectations or the expectations of investors due to a number of factors, including:

the size, complexity, timing, pricing terms and profitability of significant projects, as well as changes in the corporate decision-making process of our clients;

increased pricing pressure from our competitors;

industry consolidation leading to stronger competitors that are able to compete better;

the proportion of services we perform at our clients' sites rather than at our offshore facilities;

our ability to increase sales of our services to new customers and expand sales to our existing customers;

seasonal changes that affect the mix of services we provide to our clients or the relative proportion of services and product revenue;

seasonal changes that affect purchasing patterns among our consumers of servers, communication devices and other products;

unanticipated cancellations, contract terminations or deferral of projects or those occurring as a result of our clients reorganizing their operations;

our ability to accurately forecast our client's demand patterns to ensure the availability of trained employees to satisfy such demand;

the effect of increased wage pressure in India and other locations and the time we require to train and productively utilize our new employees; and

our ability to generate historical levels of yield on our investments.

A significant portion of our total operating expenses, particularly personnel and facilities, are fixed in advance of any particular quarter. As a result, unanticipated variations in the number and timing of our projects may cause significant variations in operating results in any particular quarter. Our pricing remains competitive and clients remain focused on cost reduction and capital conservation. While we believe that we have a flexible business model which can mitigate the negative impact of an uncertain or slow growing economy, we may not be able to sustain historical levels of profitability.

There are also other factors that are not within our control that could cause significant variations in our results in any particular quarter. These include:

the duration of tax holidays or exemptions and the availability of other Indian Government incentives;

currency exchange fluctuations, specifically movement of the Rupee against the U.S. Dollar, the United Kingdom Pound Sterling, the Euro, the Canadian Dollar and the Australian Dollar, as significant portion of our revenues are in these currencies;

political uncertainties or changes in regulations in India and other countries that we operate in;

other economic factors, including the economic conditions in United States, Europe, Middle East and other geographies in which we operate;

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uncertain or changing economic conditions particular to a business segment or to particular customer markets within that segment; and

increase in cost of operations in countries that we operate in on account of changes in minimum wage regulations.

Therefore, we believe that period-to-period comparisons of our results of operations are not necessarily meaningful and should not be relied upon as indications of future performance. Thus, it is possible that in the future some of our periodic results of operations may be below the expectations of public market analysts and investors, and the market price of our equity shares and ADSs could decline.

***We may face difficulties in providing end-to-end business solutions for our clients that could cause clients to discontinue their work with us, which in turn could impact our business.***

As we have increased the breadth of our service offerings, we have engaged in larger and more complex projects with our clients. This requires us to establish closer relationships with our clients, develop a thorough understanding of their operations, and take higher commercial risks in our contracts with such clients, including penalty clauses in our agreements, larger upfront investments and compensation based on our client's financial or business outcomes. Our ability to establish such relationships will depend on a number of factors, including the proficiency of our IT professionals and our management personnel. Our failure to understand and successfully implement our client's requirements, the domain and country-specific laws and regulations which govern the products and services that we provide, or our failure to deliver services which meet the requirements specified by our clients could result in termination of client contracts, reputational harm and/or imposition of penalties or the payment of damages. Additionally, we may experience financial losses in contracts which are linked to our client's future business outcomes or based on assumptions which are not realized. We may also be subject to loss of clients due to dependence on alliance partners, subcontractors or third party product vendors.

Larger projects may involve multiple engagements or stages, and there is a risk that a client may choose not to retain us for subsequent stages or may cancel or delay subsequent planned engagements. Further, we may not be able to sell additional services to existing clients. Unsatisfied clients might seek to terminate existing contracts prior to the completion of the services or relationship. This may further damage our business by affecting our ability to compete for new contracts with current and prospective clients. We may also experience terminations, cancellations or delays as a result of the business or financial condition of our clients or the economy generally, as opposed to factors related to the quality of our services. Such cancellations or delays make it difficult to plan for project resource requirements, and inaccuracies in such resource planning may have a negative impact on our profitability.

***Our revenue depends to a large extent on a limited number of clients, and our revenue could decline if we lose a major client.***

We currently derive, and believe that we will continue to derive, a significant portion of our revenue from a limited number of corporate clients. The loss of a major client or a significant reduction in the service performed for a major client could result in a reduction of our revenue. Significant pricing or margin pressure exerted by our largest clients would also adversely affect our operating results. Our largest client accounted for 4%, 4% and 3% of our IT Services revenue for the years ended March 31, 2014, 2015 and 2016, respectively. Our ten largest IT Services clients accounted for approximately 23%, 21% and 19% of our IT Services revenues for the years ended March 31, 2014, 2015 and 2016, respectively. The volume of work we perform for specific clients may vary from year to year, particularly since we typically are not the exclusive external technology service provider for these clients. Thus, any major client during one year may not provide the same level of revenue in a subsequent year.

There are a number of factors other than our performance that could cause the loss of a client, such as a reduction in our clients' IT budgets due to macroeconomic factors or otherwise, shifts in corporate priorities and political or economic factors. These factors may not be predictable or under our control. If we were to lose one of our major clients or have a significantly lower volume of business with them, our revenue and profitability could be reduced. We cannot assure you that our large clients will not terminate their arrangements with us or significantly change, reduce or delay the amount of services ordered from us, any of which would reduce our revenue.

Companies in the industries that we serve may also seek to achieve economies of scale and other synergies by combining with or acquiring other companies. If two or more of our current clients merge or consolidate and combine their operations, it may decrease the overall amount of work that we perform for such clients. If one of our current clients merges or consolidates with a company that relies on another provider for its consulting, systems integration, technology or outsourcing services, we may lose work from that client or lose the opportunity to gain additional work. The increased market power of larger companies could also increase pricing and competitive pressures on us.

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***Our revenues are highly dependent on clients primarily located in the Americas (including the United States) and Europe, as well as on clients concentrated in certain industries; therefore, an economic slowdown or factors that affect the economic health of the United States, Europe or these industries would adversely affect our business.***

We derive approximately 50% of our IT Services revenue from the Americas (including the United States) and 25% of our IT Services revenue from Europe. If the economy in the Americas or Europe continues to be volatile or uncertain or conditions in the global financial market deteriorate, pricing for our services may become less attractive and our clients located in these geographies may reduce or postpone their technology spending significantly. Reduction in spending on IT services may lower the demand for our services and negatively affect our revenues and profitability.

Our clients are concentrated in certain key industries. Any significant decrease in the growth of any one of these industries, or widespread changes in any such industry, may reduce or alter the demand for our services and adversely affect our revenue and profitability. For instance, the drop in global crude oil price has significantly impacted the companies operating in the energy industry, impacting revenue and profitability of our Energy, Natural Resources and Utilities industry vertical. Furthermore, some of the industries in which our clients are concentrated, such as the financial services industry, health care industry or the energy and utilities industry, are, or may be, increasingly subject to governmental regulation and intervention. For instance, clients in the financial services sector have been subject to increased regulation following the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act in the United States. Increased regulation, changes in existing regulation or increased governmental intervention in the industries in which our clients operate may adversely affect the growth of their respective businesses and therefore negatively impact our revenues.

***Our revenue and operating results may be affected by the rate of growth in the use of technology in business and the type and level of technology spending by our clients.***

Our business depends, in part, upon continued reliance on the use of technology in business by our clients and prospective clients as well as their customers and suppliers. In particular, the success of our new service offerings requires continued demand for such services and our ability to meet this demand in a cost-effective manner. In challenging economic environments, our clients may reduce or defer their spending on new technologies in order to focus on other priorities and prospective clients may decide not to engage our services. Also, many companies have already invested substantial resources in their current means of conducting commerce and exchanging information, and they may be reluctant or slow to adopt new approaches that could disrupt existing personnel, processes and infrastructures. If the growth of technology usage in business, or our clients' spending on such technology, declines, or if we cannot convince our clients or potential clients to embrace new technological solutions, our revenue and operating results could be adversely affected.

***Our business depends on a strong brand, and failing to maintain and enhance our brand would impact our ability to expand our business.***

Our strong brand has significantly contributed to the success of our business. Maintaining and enhancing our brand increases our ability to win new business, acquire new companies and enter new partnerships and alliances. Under the scheme of demerger we continue to share the Wipro brand with the demerged entity. Our brand may be negatively impacted by a number of factors, including, among others, reputational issues and performance failures, some of which may be outside of our control. Further, if we fail to maintain and enhance the quality of our brand, our business and operating results may be materially and adversely affected. Maintaining and enhancing our brand will depend largely on our ability to remain a technology leader and continue to provide high quality, innovative services and solutions to our customers.

***Our success depends in large part upon the strength of our management team and other highly skilled professionals. If we fail to attract, retain and manage transition of these personnel, our business may be unable to grow and our revenue could decline.***

The continued efforts of the senior members of our management team are critical to our success. Our ability to execute project engagements and to obtain new clients depends in large part on our ability to attract, train, motivate and retain highly skilled professionals, especially senior technical personnel, project managers and software engineers. If we cannot hire and retain additional qualified personnel, our ability to bid on and obtain new projects and to continue to expand our business will be impaired and our revenue could decline. Our compensation policies include equity-based incentive compensation plans that are designed to reward high-performing personnel for their contributions and provide incentives for them to remain with us. If the anticipated value of such incentives does not materialize because of volatility or lack of positive performance in our stock price, or if our total compensation package is not viewed as being competitive, our ability to attract and retain personnel could be adversely affected. We believe that there is significant competition for professionals with the skills necessary to perform the services we offer, particularly in the locations in which we have operations.

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We may not be able to hire and retain enough skilled and experienced employees to replace those who leave. Increasing competition for technology professionals may also impact our ability to retain personnel. Changes in government policies may also affect our ability to attract, hire and retain personnel. Additionally, we may not be able to reassign or retain our employees to keep pace with continuing changes in technology, evolving standards and changing client preferences. Our revenues, results of operations and financial condition could be adversely affected if we are unable to manage employee hiring and attrition to achieve a stable and efficient workforce structure.

***Our profitability could suffer if we are unable to continue to successfully manage our costs.***

Our ability to improve or maintain our profitability is dependent on successful management of our costs. Our cost management strategies include maintaining appropriate alignment between the demand for our services and our resource capacity, optimizing the costs of service delivery through automation and deployment of tools and effectively leveraging our sales and marketing and general and administrative costs. We also have to manage additional costs to replace the unsatisfactory solutions or services if our clients are not satisfied if we fail to properly understand their needs and develop solutions accordingly. We have also taken actions to reduce certain costs, including increasing productivity from fixed costs such as better utilization of existing facilities, investing in automation and relocating non-client-facing employees to lower-cost locations. There is no guarantee that these, or other cost-management efforts will be successful, that our efficiency will be enhanced, or that we will achieve desired levels of profitability. If we are not able to mitigate rising employee compensation costs by passing such increases to clients, or increase our revenues sufficiently to offset increasing costs, our results of operations could be materially adversely affected.

***If we do not effectively manage our growth, including, among other things by improving our administrative, operational and financial processes and systems to manage our growth, the value of our shareholders investment may be harmed.***

Our expected growth will continue to place significant demands on our management and other resources. This will require us to continue to develop and improve our operational, financial and other internal controls. As a result of our growing operations, we face and expect to continue to face challenges such as:

recruiting, training and retaining sufficiently skilled technical, marketing and management personnel;

maintaining an effective internal control system and properly educating and training employees to mitigate the risk of individuals engaging in unlawful or fraudulent activity or otherwise exposing us to unacceptable business risks;

maintaining our high quality standards of service;

maintaining high levels of client satisfaction;

developing and improving our internal administrative infrastructure, particularly our financial, operational, communications and other internal systems including data management in our IT applications and Management Information Systems ( MIS );



preserving our culture, values and entrepreneurial environment;

assimilating and integrating disparate IT systems, personnel and employment practices, and operations of acquired companies; and

managing our procurement, supply chain and vendor management processes.

If we are unable to manage our growth effectively, the quality of our services and products may decline, and our ability to attract clients and skilled personnel may be negatively affected. These factors in turn could negatively affect the growth of our business and harm the value of our shareholders' investment.

***Our profitability could suffer if we are not able to maintain favorable utilization rates.***

Our profitability and the cost of providing our services are affected by the utilization rate of our professionals. If we are not able to maintain high utilization rates for our professionals, our profit margin and our profitability may suffer. Our utilization rates are affected by a number of factors, including:

our ability to transition employees from completed projects to new assignments and to hire and integrate new employees;

our ability to forecast demand for our services and thereby maintain an appropriate headcount in each of our geographies and workforces;

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our ability to manage attrition; and

our need to devote time and resources to training, professional development and other non-chargeable activities.

Our revenue could also suffer if we misjudge demand patterns and do not recruit sufficient employees to satisfy demand. Employee shortages could prevent us from completing our contractual commitments in a timely manner and cause us to pay penalties or lose contracts or clients.

***Our failure to complete fixed-price, fixed-time frame contracts within the budget and on time may negatively affect our profitability.***

We offer a portion of our services on a fixed-price, fixed-time frame basis, rather than on a time-and-materials basis. Although we use our specified software engineering processes and rely on our past project experience to reduce the risks associated with estimating, planning and performing fixed-price or fixed-time frame projects, we bear the risks of cost overruns, including increased costs of third parties, completion delays and wage inflation in connection with these projects. If we fail to accurately estimate the resources and time required for a project, future rates of wage inflation and currency exchange rates, or if we fail to complete our contractual obligations within the contracted timeframe, our profitability may suffer.

***If our pricing structures do not accurately anticipate the cost and complexity of performing our work, then our contracts could be unprofitable.***

We negotiate pricing terms with our clients utilizing a range of pricing structures and conditions. Depending on the particular contract, we may use time and materials pricing, fixed-price arrangements, or hybrid contracts with features of both pricing models. We also undertake element or transaction based pricing, which relies on a certain scale of operations to be profitable for us. Our pricing is highly dependent on the client and our internal forecasts and predictions about our projects and the marketplace, which might be based on limited data and could be inaccurate. If we do not accurately estimate the costs and timing for completing projects, our contracts could prove unprofitable for us or yield lower profit margins than anticipated. The risk is greatest when pricing our outsourcing contracts, as many of our outsourcing projects entail the coordination of operations and workforces in multiple locations, utilizing workforces with different skill sets and competencies across geographically-distributed service centers. Furthermore, when work gets outsourced, we occasionally takeover employees from our clients and assume responsibility for one or more of our clients' business processes. Our pricing, cost and profit margin estimates on outsourced work frequently include anticipated long-term cost savings from transformational initiatives and other endeavors that we expect to achieve and sustain over the life of the outsourcing contract, but may not generate revenue in the short term. There is a risk that we will underprice our contracts, fail to accurately estimate the costs of performing the work or fail to accurately assess the risks associated with potential contracts. We may also fail to obtain renewals or provide ongoing services, the loss of which prevents us from realizing from long-term cost savings. In particular, any increased or unexpected costs, or wide fluctuations compared to our original estimates, delays or failures to achieve anticipated cost savings, or unexpected risks we encounter in connection with the performance of this work, including those caused by factors outside our control, could make these contracts less profitable or unprofitable, which could have an adverse effect on our profit margin.

***Our business will suffer if we fail to anticipate and develop new services and enhance existing services in order to keep pace with rapid changes in technology and the industries on which we focus.***

The IT services market is characterized by rapid technological changes, evolving industry standards, changing client preferences and new product and service introductions. Our future success will depend on our ability to anticipate these advances and enhance our existing offerings or develop new product and service offerings to meet client needs. We may not be successful in anticipating or responding to these advances on a timely basis, or, if we do respond, the services or technologies we develop may not be successful in the marketplace. We may also be unsuccessful in stimulating customer demand for new and upgraded products, or seamlessly managing new product introductions or transitions. Further, products, services or technologies that are developed by our competitors may render our services non-competitive or obsolete. Our failure to address the demands of the rapidly evolving information technology environment, particularly with respect to digital technology, the internet of things, artificial intelligence, cloud computing and storage, mobility and applications and analytics, could have a material adverse effect on our business, results of operations and financial condition.

If flaws in design, function or maintenance of our services were to occur, we could experience a rate of failure that would result in substantial repair, replacement or service costs and potential damage to our reputation. Continued improvement of our services and control of quality, costs and product testing are critical factors in our future growth. There can be no assurances that our efforts to monitor, develop, modify and implement appropriate testing for errors and upgrading processes will be sufficient to prevent us from having to incur substantial repair, replacement or service costs, or from a disruption in our ability to provide services, either of which could have a material adverse effect on our business, results of operations or financial condition.

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***Adverse changes to our relationships with key alliance partners could adversely affect our revenues and results of operations.***

We have alliances with companies whose capabilities complement our own. A significant portion of our service offerings are based on technology or software provided by our alliance partners. The priorities and objectives of our alliance partners may differ from ours. As most of our alliance relationships are non-exclusive, our alliance partners are not prohibited from competing with us or aligning more closely with our competitors. In addition, our alliance partners could experience reduced demand for their technology or software, including responses to changes in technology, which could lessen related demand for our services. If we do not obtain the expected benefits from our alliance relationships for any reason, we may be less competitive, our ability to offer attractive service offerings to our clients may be negatively affected, and our revenues and results of operations could be adversely affected.

***Disruptions in telecommunications could harm our service model, which could result in a reduction of our revenue.***

A significant element of our business strategy is to continue to leverage and expand our offshore development centers in Bangalore, Chennai, Hyderabad, Kolkata, Pune, Delhi and other cities in India, as well as near-shore development centers outside of India. We believe that the use of a strategically located network of software development centers provides us with cost advantages, the ability to attract highly skilled personnel from various regions of India and the world, the ability to service clients on a regional and global basis and the ability to provide services to our clients 24 hours a day, seven days a week. Part of our service model is to maintain active voice and data communications between our main office in Bangalore, our clients' offices, and our software development and support facilities. Although we maintain redundancy facilities and satellite communications links, any significant loss in our ability to transmit voice and data through satellite and telephone communications could result in a disruption in business, thereby hindering our performance or our ability to complete client projects on time. This, in turn, could lead to a reduction of our revenue.

***We may be liable to our clients for damages or our reputation could suffer as a result of disclosure of confidential information or data security system failures.***

We often have access to or are required to collect and store confidential client and customer data. We face a number of threats to our data centers and networks such as unauthorized access, security breaches and other system disruptions. It is critical to our business that our infrastructure remains secure and is perceived by customers to be secure. Despite our security measures, our infrastructure may be vulnerable to attacks by hackers or other disruptive problems. Breaches of our security measures or the accidental loss, inadvertent disclosure or unapproved dissemination of confidential customer data could expose us, our customers or the affected parties to a risk of loss or misuse of this information. We could be subject to termination of contracts for non-compliance with our clients' information security policies and procedures.

Many of our client agreements do not limit our potential liability for breaches of confidentiality. If any person, including any of our employees or former employees, penetrates our network security or misappropriates sensitive data, we could be subject to significant liability from our clients or from our clients' customers for breaching contractual confidentiality provisions or privacy laws. Unauthorized disclosure of sensitive or confidential client and customer data, whether through breach of our computer systems, systems failure, loss or theft of assets containing confidential information or otherwise, could damage our reputation and cause us to lose clients.

***We may be liable to our clients for damages caused by system failures, which could harm our reputation and cause us to lose clients.***

Many of our contracts involve projects that are critical to the operations of our clients' businesses and provide benefits to our clients that may be difficult to quantify. Any failure in a client's system could result in a claim for substantial damages against us, regardless of our responsibility for such failure. Although we attempt to limit our contractual liability for consequential damages in rendering our services, we cannot be assured that such limitations on liability will be enforceable in all cases, or that they will otherwise protect us from liability for damages. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or results in changes to our insurance policies, including premium increases or the imposition of a large deductible or co-insurance requirement, could adversely affect our revenues and operating results. We may also be liable to our clients for damages or termination of contract if we are unable to address disruption in services to our clients with adequate business continuity plans.

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***We may be subject to litigation and be required to pay damages for deficient services or for violating intellectual property rights.***

We may be subject to customer audits on quality of service and required to pay damages or face litigations for losses caused by deficient services. We may also be subject to litigations or damages for violating or misusing our clients intellectual property rights or for breaches of third-party intellectual property rights or confidential information (including but not limited to proprietary data and personally identifiable information) in connection with services to our clients. Further, our contracts often contain provisions pursuant to which we indemnify our clients for such third-party breaches of intellectual property pursuant to our contracts. Our inability to provide services at contractually-agreed service levels or inability to prevent violation or misuse of the intellectual property of our clients or that of third parties could cause significant damage to our reputation and adversely affect our results of operations.

Third party providers of software that we license may subject us to claims or litigations to seek damages for violating their licenses and intellectual property rights which could require us to pay damages, enter into expensive license arrangements or modify our products and services. We may also face litigations or incur additional fees and be required to pay damages for violating contractual terms, misuse or excessive use of our license to intellectual property rights, which could cause significant damage to our reputation and adversely affect our results or operations. Further, we may be required to indemnify our clients for third-party breaches of intellectual property pursuant to our contracts.

***Our work with government clients exposes us to additional risks inherent in the government contracting environment.***

Our clients include national, provincial, state and local governmental entities. Our government work carries various risks inherent in the government contracting process, which may affect our operating profitability. These risks include, but are not limited to, the following:

Government entities often reserve the right to audit our contract costs, including allocated indirect costs, and conduct inquiries and investigations of our business practices with respect to our government contracts. If the client finds that the costs are not chargeable, then we will not be allowed to bill for them or the cost must be refunded to the client if it has already been paid to us. Findings from an audit may also result in prospective adjustments of previously agreed upon rates for our work and may affect our future margins.

If a government client discovers improper or illegal activities in the course of audits or investigations, we may become subject to various civil and criminal penalties and administrative sanctions, which may include termination of contracts, forfeiture of profits, suspension of payments, fines and suspensions or unilateral debarment from doing business with other agencies of that government. The inherent limitations of internal controls may not prevent or detect all improper or illegal activities, regardless of their adequacy, and therefore we can only mitigate, and not eliminate, this risk.

Government contracts are often subject to more extensive scrutiny and publicity than contracts with commercial clients. Negative publicity related to our government contracts, regardless of its accuracy, may further damage our business by affecting our ability to compete for new contracts among commercial and governmental entities.

Political and economic factors such as pending elections, changes in leadership among key governmental decision makers, revisions to governmental tax policies and reduced tax revenues can affect the number and terms of new government contracts signed.

Terms and conditions of government contracts tend to be more onerous and are often more difficult to negotiate than those for commercial contracts.

Government contracts may not include a cap on direct or consequential damages, which could cause additional risk and expense in these contracts.

***Many of our client contracts can be terminated without cause, with little or no notice and without termination charges, which could negatively impact our revenue and profitability.***

Our clients typically retain us on a non-exclusive, project-by-project basis. Some of our client contracts, including those that are on a fixed-price, fixed-time frame basis, can be terminated with or without cause, with as little as 15 days notice and without termination-related penalties. Additionally, most of our contracts with clients are typically limited to discrete projects without any commitment to a specific volume of business or future work. Our business is dependent on the decisions and actions of our clients, and there are a number of factors that might result in the termination of a project or the loss of a client that are outside of our control, including:

the business or financial condition of our clients or the economy generally;

a change in strategic priorities, resulting in a reduced level of IT spending;

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a demand for price reductions; and

a change in outsourcing strategy such as moving to client in-house IT departments or to our competitors.

Termination of client relationships, particularly relationships with our largest customers, would have a material adverse effect on our business, results of operations and financial condition.

***Some of our long-term client contracts contain benchmarking and most favored customer provisions which, if triggered, could result in lower contractual revenues and profitability in the future.***

Some of our client contracts contain benchmarking and most favored customer provisions. The benchmarking provisions allow a customer in certain circumstances to request a study prepared by an agreed upon third-party comparing our pricing, performance and efficiency gains for delivered contract services against the comparable services of an agreed upon list of other service providers. Based on the results of the benchmark study and depending on the reasons for any unfavorable variance, we may be required to reduce our pricing for future services to be performed for the remainder of the contract term, which could have an adverse impact on our revenues and results. Most favored customer provisions require us to give existing customers updated terms in the event we enter into more favorable agreements with certain other customers, which limits our ability to freely enter into agreements and could have an adverse impact on our revenues and results.

***Exchange rate fluctuations in various currencies in which we do business could negatively impact our revenue and operating results / net income. Our financial condition and results of operations may be harmed if we do not successfully reduce such risks through the use of derivative financial instruments.***

Our IT Services business contributes approximately 94% of our revenue. A significant portion of our revenue from this segment is derived from transactions in foreign currencies, including the U.S. Dollar, the United Kingdom Pound Sterling, the Euro, the Canadian Dollar and the Australian Dollar while a large portion of our costs are in Indian Rupees. The exchange rate between the Rupee and foreign currencies has fluctuated significantly in recent years and may continue to fluctuate in the future. As our financial statements are presented in Rupees, such fluctuations could have a material impact on our reported results. Due to these exchange rate fluctuations, there has been an increased demand from our clients that all risks associated with such fluctuations be borne by us. Appreciation of the rupee against foreign currencies can therefore adversely affect our revenue and competitive position, and can adversely impact our operating results. We generate approximately 40% of our IT Services revenues in non-U.S. Dollar currencies, and the exchange rate fluctuations between these currencies and the U.S. Dollar can affect our revenues and growth, as expressed in U.S. Dollar terms.

A significant portion of our debt is in various foreign currencies. We also undertake hedging strategies to mitigate exposure of exchange rate risk relating to foreign currency borrowings, including entering into cross-currency interest rate swaps. As mentioned above, the exchange rate between the Indian Rupee and foreign currencies has fluctuated significantly in recent years and will likely continue to fluctuate in the future. If the value of the rupee declines, the size of our debt obligations and interest expenses in Indian Rupees may increase. This will adversely impact our net income. We also experience other market risks, including changes in the interest rates of the securities that we own. We may use derivative financial instruments to reduce or mitigate these risks where possible. However, if our strategies to reduce market risks are not successful, our financial condition and operating results may be harmed.

***Restrictive changes to immigration laws may hamper our growth and cause our revenue to decline.***



The success of our business is dependent on our ability to attract and retain talented and experienced professionals and be able to mobilize them around the world to meet our clients' needs. Immigration laws in the countries we operate in are subject to legislative changes, as well as to variations in the standards of application and enforcement due to political forces and economic conditions. A few countries have introduced new provisions and standards in immigration law which can impact our ability to provide services in those countries due to restrictive policies and additional costs involved. It is difficult to predict the political and economic events that could affect immigration laws, or the restrictive impact they could have on obtaining or renewing work visas for our technology professionals.

Since a large part of our business centers around the United States, changes to the U.S. immigration laws could make it more difficult to obtain the required nonimmigrant work authorizations for our employees that allows us to compete for and provide services to our clients in the United States. If we are unable or are severely limited in the ability to mobilize our skilled professionals to serve our clients, it would have a substantial impact on our capacity to complete client projects and increase our cost of doing business. This may discourage clients from seeking our services in the United States. This could have a material and adverse effect on our business, revenues and operating results and cause them to decline.

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Having obtained H-1B visas and L-1 visas on behalf of employees we are subject to higher labor, legal and regulatory standards. In addition, we face increased regulatory and filing fees which expands our cost of using these immigration programs to meet business needs. Unannounced random site inspections by the U.S. Department of Homeland Security would also place an increased burden on organization like ours who comply with immigration regulations.

We currently have sufficient personnel with valid nonimmigrant worker visas, however, we cannot be assured that we will continue to be able to obtain any or a sufficient number of nonimmigrant worker visas for our onsite employees on the same timeframe as we currently maintain, which would affect our ability to be responsive to business needs and cause our revenue to decline.

***Our international operations subject us to risks inherent in doing business on an international level that could harm our operating results.***

Currently, we have software development facilities in several countries around the world. The majority of our software development facilities are located in India. As we continue to increase our presence outside India through our strategic development centers worldwide, we are subject to additional risks related to our international expansion strategy, including risks related to complying with a wide variety of national and local laws, localization requirements, restrictions on the import and export of certain technologies, data privacy and protection regulations, currency fluctuations, economic and political volatility, restrictions on repatriation of funds to India and multiple and possibly overlapping tax structures. In addition, we may face competition in other countries from companies that may have more experience with operations in such countries or with international operations in general. We may also face difficulties integrating new facilities in different countries into our existing operations, as well as integrating employees that we hire in different countries into our existing corporate culture. Our international expansion plans may not be successful, and we may not be able to compete effectively in other countries.

***Legislation in certain countries in which we operate, including the U.S., may restrict companies in those countries from outsourcing work.***