

WIPRO LTD
Form 20-F
November 12, 2010

Table of Contents

**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

Annual Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended March 31, 2010

Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

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

+91-80-2844-0055

(Address of principal executive offices)

Suresh C. Senapaty, Chief Financial Officer and Director

Phone: +91 80 28440055; Fax: +91 80 28440104

(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:

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

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: 1,468,211,189 **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 Other
Standards as issued by the 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 Item 18

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

Table of Contents**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, references to £ or Pound Sterling or GBP are to the legal currency of United Kingdom and references to Rs. or Rupees or Indian rupees are to the legal currency of India. All amounts are in Rs. 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 International Financial Reporting Standards and its interpretations (IFRS), as issued by International Accounting Standard Board (IASB). References to Indian GAAP are to Indian Generally Accepted Accounting Principles. References to U.S. GAAP are to United States 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 the respective owners.

Except as otherwise stated in this Annual Report, all translations from Indian rupees to U.S. dollars are based on the certified foreign exchange rates published by Federal Reserve Board of New York on March 31, 2010, which was Rs. 44.95 per \$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, 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 firm's future results and financial condition, please see the sections entitled Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations.

The forward-looking statements contained herein are identified by the use of terms and phrases such as anticipate , believe , could , estimate , expect , intend , may , plan , objectives , outlook , probably , project , will , and other 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, including intentions to introduce acquired personal care product brands to establish our presence in the markets for personal care products in India;
- 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;
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;

Table of Contents

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

market risk in the section titled "Quantitative and Qualitative Disclosure About Market Risk" under Item 11 of this Annual Report on Form 20-F.

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.

TABLE OF CONTENTS

Part I

<u>Item 1. Identity of Directors, Senior Management and Advisers</u>	5
<u>Item 2. Offer Statistics and Expected Timetable</u>	5
<u>Item 3. Key Information</u>	6
<u>Item 4. Information on the Company</u>	21
<u>Item 4 A. Unresolved Staff Comments</u>	40
<u>Item 5. Operating and Financial Review and Prospects</u>	40
<u>Item 6. Directors, Senior Management and Employees</u>	57
<u>Item 7. Major Shareholders and Related Party Transactions</u>	66
<u>Item 8. Financial Information</u>	67
<u>Item 9. The Offer and Listing</u>	68
<u>Item 10. Additional Information</u>	71
<u>Item 11. Quantitative and Qualitative Disclosure About Market Risk</u>	84
<u>Item 12. Description of Securities Other than Equity Securities</u>	86

Part II

<u>Item 13. Defaults, Dividend Arrearages and Delinquencies</u>	87
<u>Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds</u>	87
<u>Item 15. Controls and Procedures</u>	87
<u>Item 16 A. Audit Committee Financial Expert</u>	90
<u>Item 16 B. Code of Ethics</u>	90
<u>Item 16 C. Principal Accountant Fees and Services</u>	90
<u>Item 16 D. Exemptions from the Listing Standards for Audit Committees</u>	91
<u>Item 16 E. Purchase of Equity Securities by the Issuer and Affiliated Purchasers</u>	91
<u>Item 16 F. Changes in registrant's Certifying Accountant</u>	91
<u>Item 16 G. Corporate Governance</u>	91

Part III

<u>Item 17. Financial Statements</u>	92
<u>Item 18. Financial Statements</u>	93
<u>Item 19. Exhibits</u>	157
<u>EX-12.1</u>	
<u>EX-12.2</u>	
<u>EX-13</u>	
<u>EX-15.1</u>	

Table of Contents

PART I

Item 1. Identity of Directors, Senior Management and Advisers

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable

5

Table of Contents**Item 3. Key Information****Summary of Selected Consolidated Financial Data**

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 two years ended March 31, 2010 and selected consolidated statements of financial position data as of March 31, 2009 and 2010 in Indian rupees have been prepared and presented in accordance with International Financial Reporting Standards and its interpretations (IFRS), as issued by International Accounting Standard Board (IASB) and have been derived from our audited consolidated financial statements and related notes. The summary consolidated financial data below has been presented for the two most recent fiscal years in compliance with General Instruction G of Form 20-F. Historical results are not necessarily indicative of future results.

	(In millions, except per equity share data)				
	2009		2010		2010
					Convenience Translation into US\$
Consolidated Statements of Income data:					
Revenues	Rs.	256,891	Rs.	271,957	\$ 6,050
Cost of revenues		(180,215)		(186,299)	(4,145)
Gross profit	Rs.	76,676	Rs.	85,658	\$ 1,906
Selling and marketing expenses		(17,313)		(18,608)	(414)
General and administrative expenses		(14,510)		(14,823)	(330)
Foreign exchange gains/(losses), net		(1,553)		(716)	(16)
Results from operating activities	Rs.	43,300	Rs.	51,511	\$ 1,146
Finance expense		(3,824)		(991)	(22)
Finance and Other income		5,057		4,360	97
Share of profits of equity accounted investees		362		530	12
Profit before tax		44,895		55,410	1,233
Income tax expense		(6,035)		(9,294)	(207)
Profit for the year	Rs.	38,860	Rs.	46,116	\$ 1,026
Attributable to:					
Equity holders of the Company	Rs.	38,761	Rs.	45,931	1,022
Minority interest		99		185	4
Profit for the year	Rs.	38,860	Rs.	46,116	\$ 1,026
Earnings per equity share:					
Basic		15.99		18.91	0.42
Diluted		15.90		18.75	0.42

Weighted average number of equity shares used in computing earnings per equity share: ⁽²⁾

Basic	2,423,558,482	2,429,025,243	2,429,025,243
Diluted	2,437,464,403	2,449,658,532	2,449,658,532

Cash dividend per equity share paid	4.00	4.00	0.09
-------------------------------------	------	------	------

Additional data:

Revenue by segment

IT Services	Rs.	191,613	Rs.	202,490	\$	4,505
IT Products		34,277		38,205		850
Consumer Care and Lighting		19,249		22,584		502
Others		8,995		7,143		159
Reconciling items		1,204		819		18
Total	Rs.	255,338	Rs.	271,241	\$	6,034

Operating income by segment

IT Services	Rs.	40,197	Rs.	47,408	\$	1,055
IT Products		1,363		1,764		39
Consumer Care and Lighting		2,592		3,080		69
Others		(294)		(836)		(19)
Reconciling items		(558)		95		2
Total	Rs	43,300	Rs.	51,511	\$	1,146

Consolidated Statements of Financial Position

Data:

Cash and cash equivalents	Rs.	49,117	Rs.	64,878	\$	1,443
Available for sale investments		16,293		30,420		677
Working capital ⁽¹⁾		57,152		95,565		2,126
Total assets		284,255		329,928		7,340
Total debt		56,892		62,511		1,391
Total equity		147,381		196,549		4,373

Notes:

1. Working capital equals current assets minus current liabilities.

2. Adjusted for stock dividend.

Table of Contents**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, or 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, Morgan Guaranty Trust Company of New York, or 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 Federal Reserve Board of New York. 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.

Fiscal Year Ended March 31,	Period End	Average	High	Low
2010	Rs. 44.95	Rs. 47.18	Rs. 50.48	Rs. 44.94
2009	50.87	46.32	51.96	39.73
2008	40.02	40.13	43.05	38.48
2007	43.10	45.06	46.83	42.78
2006	44.48	44.21	46.26	43.05

On November 05, 2010, the certified foreign exchange rates published by Federal Reserve Board of New York was Rs. 44.2113

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 Federal Reserve Board of New York on each business day during the period:

Month	High	Low
October 2010	44.59	44.05
September 2010	46.82	44.56
August 2010	46.87	45.70
July 2010	47.23	46.25
Jun 2010	47.08	45.64
May 2010	47.49	44.46

Capitalization and Indebtedness

Not applicable.

Reasons for the Offer and Use of Proceeds

Not applicable.

Table of Contents

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 the expectation of market analysts, which could cause the market price of our equity shares and ADSs to decline.

Our revenue historically has fluctuated and may fluctuate in the future depending on a number of factors, including:

the size, complexity, timing, pricing terms and profitability of significant projects or product orders;

changes in our pricing policies or those of our competitors;

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

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 desktops, notebooks, servers, communication devices, consumer care and other products;

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

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

the effect of seasonal hiring patterns and the time we require to train and productively utilize our new employees;

unanticipated variations in the duration, size and scope of our projects, as well as changes in the corporate decision-making process of our clients;

currency exchange fluctuations; and

other economic and political factors.

A significant portion of our total operating expenses in our IT Services and IT Products business, 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 or employee utilization rates, in our IT Services business excluding Business Process Outsourcing (BPO) services, Indian IT services and Infocrossing, may cause significant variations in operating results in any particular quarter. (Utilization is the proportion of billed resources to total resources. Our total resources for the purpose of computing utilization include resources in administration and general support function excluding corporate activities)

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.

Our profits attributable to equity holders increased by 18.50% for the year ended March 31, 2010, as compared to the year ended March 31, 2009. While the environment has improved significantly since the first half of the calendar year 2010, pricing remains competitive and clients remain focused on cost reduction and capital conservation. We are investing in developing capabilities in new technology areas and deepening our domain expertise. While we believe that we have a flexible business model which can mitigate this impact, we may not be able to sustain historical levels of profitability. In our Business Process Outsourcing or BPO business, we are diversifying our service offerings to reduce the proportion of revenues from customer interaction services. Continued attrition levels in our customer interaction services could adversely

Table of Contents

impact our operating margins. As a result, there can be no assurance that we will be able to sustain our historic levels of profitability.

If we do not continue to improve our administrative, operational and financial personnel and systems to manage our growth, the value of our shareholders investment may be harmed.

Until fiscal year 2009, we experienced significant growth in all our businesses. While growth rates were lower in fiscal 2010 compared to fiscal 2009, they have seen a strong uptick in second half of the year. However, we expect our growth to 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, both in India and elsewhere. In particular, our continued growth will increase the challenges involved in:

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

adhering to our high quality standards;

maintaining high levels of client satisfaction;

developing and improving our internal administrative infrastructure, particularly our financial, operational, communications and other internal systems; and

preserving our culture, values and entrepreneurial environment.

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 Global IT Services and Products business and harm the value of our shareholders investment.

Intense competition in the market for IT and ITES services could adversely affect our cost advantages, and, as a result, decrease our revenues.

The market for IT services is highly competitive. Our competitors include software companies, IT companies, systems consulting and integration firms, other technology companies and client in-house information services departments. We may also face competition from IT and ITES companies operating from emerging low cost destination like China, Philippines, Brazil, Romania, Poland, etc. Many of our competitors command significantly greater financial, technical and marketing resources and generate greater revenue than we do. We cannot be reasonably certain that we will be able to compete successfully against such competitors or that we will not lose our key employees or clients to such competitors. Additionally, we believe that our ability to compete also depends in part on factors outside our control, such as the availability of skilled resources, the price at which our competitors offer comparable services, and the extent of our competitors responsiveness to their clients needs.

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 harm our business.

We have been expanding the nature and scope of our engagements and have been adding new service offerings, such as IT consulting, business process management, systems integration and outsourcing of entire portions of IT infrastructure. The success of these service offerings is dependent, in part, upon continued demand for such services from our existing and new clients and our ability to meet this demand in a cost-competitive and effective manner. In addition, our ability to effectively offer a wider breadth of end-to-end business solutions depends on our ability to attract existing or new clients to these service offerings. To obtain engagements for such end-to-end solutions, we also are more likely to compete with large, well-established international consulting firms, resulting in increased compensation and marketing costs. Accordingly, we cannot be certain that our new service offerings will effectively meet client needs or that we will be able to attract existing and new clients to these service offerings.

The increased breadth of our service offerings may result in larger and more complex projects with our clients. This will require us to establish closer relationships with our clients and a thorough understanding of their operations. 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 our client requirements or our failure to deliver services which meet the requirements specified by our clients could result in termination of client contracts,

and we could be liable to our clients for significant penalties or damages.

Larger projects may involve multiple engagements or stages, and there is a risk that a client may choose not to retain us for additional stages or may cancel or delay additional planned engagements. These terminations, cancellations or delays may result from the business or financial condition of our clients or the economy generally, as opposed to factors

Table of Contents

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 success depends in large part upon the ability of our management team and other highly skilled professionals. If we fail to retain and attract these personnel, our business may be unable to grow and our revenue could decline, which may decrease the value of our shareholders investment.

The senior members of all our management team, including the continued efforts of our Chairman and Managing Director are critical to our success. Our ability to execute project engagements and to obtain new clients depend in large part on our ability to attract, train, motivate and retain highly skilled professionals, especially project managers, software engineers and other senior technical personnel. 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. We believe that there is significant competition for professionals with the skills necessary to perform the services we offer. We may not be able to hire and retain enough skilled and experienced employees to replace those who leave. Additionally, we may not be able to re-deploy and retain our employees to keep pace with continuing changes in technology, evolving standards and changing client preferences. We are experiencing high employee attrition rates, in line with the industry, as the environment continues to improve and IT Companies start to hire more actively. Continued employee attrition rates in this business may adversely affect our revenues and profitability.

Changes in government policies may also affect our ability to hire, attract and retain personnel.

Exchange rate fluctuations in various currencies in which we do business, could negatively impact our revenue and operating results.

Our IT Services business is approximately 75% of our revenue. Our revenue from this business is derived from transactions in major world currencies while a significant portion of our costs are in Indian rupees. The exchange rate between the rupee and major world currencies has fluctuated significantly in recent years and may continue to fluctuate in the future. Appreciation of the rupee against the major world currencies can adversely affect our revenue and competitive positioning, and can adversely impact our gross margins. We generate around 35% of our IT Services revenues in Non- USD currencies and the exchange rate fluctuations between these currencies and the U.S. dollars can affect our revenues and growth expressed in USD terms. We enter into forward exchange and option contracts to minimize the impact of currency fluctuations on our revenues. However, volatility in exchange rate movement and/or sustained rupee appreciation will negatively impact our revenue and operating results.

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 borrowing including entering into cross-currency interest rate swaps. As mentioned above, the exchange rate between the rupee and major currencies of the world has fluctuated significantly in recent years and will likely continue to fluctuate in the future. Volatility in exchange rate movement and/or rupee depreciation may negatively impact our operating results.

Our revenues are highly dependent on clients primarily located in the United States and Europe, as well as on clients concentrated in certain industries, and economic slowdowns or factors that affect the economic health of the United States, Europe or these industries may affect our business.

We derive approximately 58% of our IT Services revenues from United States and 26% of our IT Services revenues from Europe. The recent crisis in the financial and credit markets in the United States, Europe and Asia have contributed significantly to a global economic slowdown, with the economies of the United States and Europe showing significant signs of weakness.

In an economic slowdown, our clients 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.

Furthermore, any significant decrease in the growth of the industries on which we focus, or a significant consolidation in any such industry, may reduce the demand for our services and negatively affect our revenues and profitability.

Our IT Services revenue depends to a large extent on a small 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 IT Services 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. Our largest client for the years ended March 31, 2009 and 2010 accounted for 3% of our IT Services revenue. For the same periods, our ten largest clients accounted for 20% of our IT Services revenue. The volume of work we perform for specific clients may vary from year to year, particularly since we

Table of Contents

typically are not the sole outside service provider for our 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 and that may not be predictable. In certain cases, clients have reduced their spending on IT services due to a challenging economic environment and consequently have reduced their volume of business with us. 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 continually strive to reduce our dependence on the revenue earned from services rendered to any one client.

Restrictions on immigration in the U.S. may affect our ability to compete for and provide services to clients in the United States, which could hamper our growth and cause our revenue to decline.

Our employees who work onsite at client facilities or at our facilities in the United States on temporary or extended assignments typically must obtain visas. If U.S. immigration laws change and make it more difficult for us to obtain H-1B and L-1 visas for our employees, our ability to compete for and provide services to our clients in the United States could be impaired. In response to terrorist attacks in the United States, the U.S. Citizenship and Immigration Services has increased the level of scrutiny in granting visas and has decreased the number of its grants. These restrictions and any other changes in turn could hamper our growth and cause our revenue to decline.

A majority of our personnel in the United States hold H-1B visas or L-1 visas. An H-1B visa is a temporary work visa, which allows the employee to remain in the United States while he or she remains an employee of the sponsoring firm, and the L-1 visa is an intra-company transfer visa, which only allows the employee to remain in the United States temporarily. Although there is no limit to new L-1 petitions, there is a limit to the aggregate number of new H-1B petitions that the U.S. Citizenship and Immigration Services may approve in any government fiscal year. Beginning in fiscal year 2005, the U.S. Citizenship and Immigration Services have limited the number of H-1B visas that may be granted to 65,000 per year, a reduction from the 195,000 H-1B visas granted in each of the three years prior to 2004.

The L-1 and H-1B Visa Reform Act of 2004 further precludes foreign companies from obtaining L-1 visas for employees with specialized knowledge: (1) if such employees will be stationed primarily at the worksite of another company in the U.S. and the employee will not be controlled and supervised by his employer, or (2) if the placement is essentially an arrangement to provide labor for hire rather than in connection with the employee's specialized knowledge.

Immigration laws in the United States may also require us to meet certain minimum levels of compensation, and to comply with other legal requirements, including labor certifications, as a condition to obtaining or maintaining work visas for our technology professionals working in the United States.

Immigration laws in the United States and in other countries are subject to legislative changes, as well as to variations in standards of application and enforcement due to political forces and economic conditions. 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 monitoring work visas for our technology professionals.

Although we currently have sufficient personnel with valid H-1B visas, we cannot assure you that we will continue to be able to obtain any or a sufficient number of H-1B visas on the same time schedule as we have previously obtained, or at all.

Our global operations expose us to numerous and sometimes conflicting legal and regulatory requirements, and violation of these regulations could harm our business.

Because we provide services to clients throughout the world, we are subject to numerous, and sometimes conflicting, legal rules on matters as diverse as import/export controls, content requirements, trade restrictions, tariffs, taxation, sanctions, government affairs, internal and disclosure control obligations, data privacy and labor relations. Violations of these regulations in the conduct of our business could result in fines, criminal sanctions against us or our officers, prohibitions on doing business and damage to our reputation. Violations of these regulations in connection with the performance of our obligations to our clients also could result in liability for monetary damages, fines and/or criminal prosecution, unfavorable publicity, restrictions on our ability to process information and allegations by our clients that we have not performed our contractual obligations. Due to the varying degree of development of the legal systems of the countries in which we operate, local laws might be insufficient to protect our rights.

We have approximately 18,000 employees located outside India. We are subject to risks relating to compliance with a variety of national and local laws including multiple tax regimes, labour laws, employee health safety and wages and benefits. We may, from time to time, be subject to litigation or administrative actions resulting from claims against us by current or former employees individually or as part of class actions, including claims of wrongful terminations, discrimination, misclassification or other violations of labour law or other alleged conduct. Our failure to comply with

Table of Contents

applicable regulatory requirements could have a material adverse effect on our business, results of operations and financial condition.

Legislation in certain countries in which we operate, including the United States, may restrict companies in those countries from outsourcing work to us.

Recently, some countries and organizations have expressed concerns about a perceived association between offshore outsourcing and the loss of jobs domestically. With the growth of offshore outsourcing receiving increasing political and media attention, there have been concerted efforts to enact new legislation to restrict offshore outsourcing or impose disincentives on companies which have been outsourcing jobs. This may adversely impact our ability to do business in these jurisdictions and could adversely affect our revenues and operating profitability.

In addition, from time to time, there has been publicity about negative experiences associated with offshore outsourcing, such as theft and misappropriation of sensitive client data (including reports involving service providers in India). Our current or prospective clients may elect to perform certain services themselves or may be discouraged from transferring services from onshore to offshore providers to avoid negative perceptions that may be associated with using an offshore provider. Any slowdown or reversal of existing industry trends toward offshore outsourcing would seriously harm our ability to compete effectively with competitors that provide services from within the country in which our clients operate.

We focus on high-growth industries, such as networking and communications. Any decrease in demand for technology in such industries may significantly decrease the demand for our services, which may impair our growth and cause our revenue to decline.

Approximately 26% of our business is derived from clients in high growth industries who use our IT Services for networking and communications equipment. These industries have experienced periods of above normal growth and periods of contraction. Any significant decrease in the growth of these industries will decrease the demand for our services and could reduce our revenue.

Our failure to complete fixed-price, fixed-timeframe contracts on budget and on time may negatively affect our profitability, which could decrease the value of our shareholders' investment.

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 specified software engineering processes and rely on our past project experience to reduce the risks associated with estimating, planning and performing fixed-price, fixed-timeframe projects, we bear the risk of cost overruns, 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.

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 at Bangalore, Chennai, Hyderabad and Pune in India, as well as near shore development centers outside India. We believe that the use of a strategically located network of software development centers will provide us with cost advantages, the ability to attract highly skilled personnel in 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 offices in Bangalore, our clients' offices, and our other 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 caused by disclosure of confidential information or system failures.

We often have access to or are required to collect and store confidential client and customer data. Many of our client agreements do not limit our potential liability for breaches of confidentiality. If any person, including any of our 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 or otherwise, could damage our reputation and cause us to lose clients.

Table of Contents

We are investing substantial cash assets in new facilities and physical infrastructures and our profitability could be reduced if our business does not grow proportionately.

We have invested substantially in construction or expansion of new software development facilities and physical infrastructure during fiscal year 2010 in anticipation of growth in our business. The total amount of investment made to purchase property, plant and equipment in fiscal year 2010 was Rs. 12,631 million (\$281 million). Additionally, as of March 31, 2010, we had contractual commitments of approximately Rs. 2,782 million (\$62 million) related to capital expenditures on construction or expansion of our software development facilities. We may encounter cost overruns or project delays in connection with new facilities. These expansions may increase our fixed costs. If we are unable to grow our business and revenues proportionately, our profitability will be reduced.

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 are in the process of scaling up our presence outside India through our strategic development centres, 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, restrictions on the import and export of certain technologies 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.

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 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. Further, products, services or technologies that are developed by our competitors may render our services non-competitive or obsolete.

Most of our client contracts can typically be terminated without cause and with little or no notice or penalty, which could negatively impact our revenue and profitability.

Our clients typically retain us on a non-exclusive, project-by-project basis. Most of our client contracts, including those that are on a fixed-price, fixed-time frame basis, can be terminated with or without cause, in as few as ninety 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 relating to our clients that are outside our control that might result in the termination of a project or the loss of a client, including:

- financial difficulties for a client;

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

- a demand for price reductions; and

- a change in outsourcing strategy by moving more work to client in-house IT departments or to our competitors.

We may engage in future acquisitions, investments, strategic partnerships or other ventures that may harm our performance, dilute our shareholders' ownership and cause us to incur debt or assume contingent liabilities.

We have acquired and in the future may 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. For example, in December 2009, the Company acquired 100% of the equity of Lornamead FZE (an entity incorporated in Dubai) and Lornamead Personal Care Private Limited (an entity incorporated in India) from UK-based Lornamead Group Limited and operating in the personal care category marketing fragrance products, bath and shower products and skin care products. In the future, we may not identify suitable acquisition, investment or strategic partnership candidates, or if we do identify suitable candidates, we may not complete those transactions on terms commercially acceptable to us. We could have

Table of Contents

difficulty in assimilating the personnel, operations, technology and software of the acquired companies. In addition, the key personnel of an acquired company may decide not to work for us. If we make other types of acquisitions, we could have difficulty in integrating the acquired products, services or technologies into our operations. These difficulties could disrupt our ongoing business, distract our management and employees and increase our expenses. Changes in competition laws in India and abroad could also impact our acquisition plans.

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

As the size and complexity of our client engagements increase, our clients may require further benchmarking provisions in our contracts with them. Benchmarking provisions allow a customer in certain circumstances to request a benchmark study prepared by an agreed upon third-party comparing our pricing, performance and efficiency gains for delivered contract services to that of an agreed upon list of other service providers for comparable services. Based on the results of the benchmark study and depending on the reasons for any unfavorable variance, we may be required to reduce the pricing for future services to be performed during the balance period of the contract, which could have an adverse impact on our revenues and profitability.

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

Many of our contracts involve projects that are critical to the operations of our clients' businesses and provide benefits 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 changes in our insurance policies, including premium increases or the imposition of a large deductible or co-insurance requirement, could adversely affect our operating results.

Customers may subject us to litigation to seek damages for deficient services or for violating intellectual property rights.

Our customers may subject us to litigation and seek damages for losses caused by allegedly deficient services. Customers may also subject us to litigation and seek damages for violating or misusing intellectual property rights. Our inability to provide services at the contractually agreed service levels or inability to prevent violation or misuse of our customers' intellectual property could cause significant damage to our reputation and adversely affect our results of operations.

Compliance with new and changing corporate governance and public disclosure requirements adds uncertainty to our compliance policies and increases our costs of compliance.

Changing laws, regulations and standards relating to accounting, corporate governance and public disclosure, including the Sarbanes-Oxley Act of 2002, new SEC regulations, New York Stock Exchange rules, Securities and Exchange Board of India rules and Indian stock market listing regulations, are creating uncertainty for companies like ours. These new or changed laws, regulations and standards may lack specificity and are subject to varying interpretations. Their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs of compliance as a result of ongoing revisions to such governance standards.

In particular, continuing compliance with Section 404 of the Sarbanes-Oxley Act of 2002 and the related regulations regarding our required assessment of our internal controls over financial reporting requires the commitment of significant financial and managerial resources. With respect to our Form 20-F for the year ended March 31, 2010, our management has performed an assessment of the effectiveness of the internal control over financial reporting.

In connection with the audit of our consolidated financial statements for the year ended March 31, 2010, and as disclosed in our Form 6-K dated March 1, 2010, we discovered acts of embezzlement by one of our junior level employees during the period from November 2006 to December 2009. In response to the discovery of such acts of embezzlement, our Audit Committee conducted investigations to determine, among other things, the materiality of the

amounts embezzled, the design and implementation of internal control processes to detect and prevent similar misappropriations in the future and certain other issues including the appropriateness of certain accounting entries. Based on our review of the facts discovered during the investigations, we believe that the amounts embezzled were not material. See also Item 5 Management's Discussion and Analysis of Financial Condition and Results of Operations and Item 15 Controls and Procedures for additional information pertaining to our Audit Committee investigations, the findings and impact of the financial statement misstatements and other adjustments identified during the investigations and our evaluation and remediation of the material weaknesses identified in our internal controls over financial reporting as of March 31, 2009.

We and our independent registered public accounting firm also identified the lack of internal controls that gave rise to this embezzlement and financial statement misstatements as material weaknesses in our internal control over financial reporting as of March 31, 2009. We have taken steps to address the underlying causes of the identified material weaknesses, primarily through the development and implementation of policies and controls, improved processes and documented procedures, the retention of third-party experts, and the hiring of additional accounting and finance personnel. The actions that we have taken were reviewed by our senior management with oversight by our Audit Committee. If we fail to remediate deficiencies in our control environment or are unable to implement and maintain effective internal control over financial reporting, we may be unable to accurately report our financial results, or report them within the timeframes required by law or exchange regulations. See Item 15 Controls and Procedures for additional information pertaining to our evaluation and remediation of the material weaknesses identified in our internal control over financial reporting as of March 31, 2009.

We are committed to maintaining high standards of corporate governance and public disclosure, and our efforts to comply with evolving laws, regulations and standards in this regard have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities. In addition, the new laws, regulations and standards regarding corporate governance may make it more difficult for us to obtain director and officer liability insurance. Further, our board members, chief executive officer and chief financial officer could face an increased risk of personal liability in connection with their performance of duties. As a result, we may face difficulties attracting and retaining qualified board members and executive officers, which could harm our business. If we fail to comply with new or changed laws or regulations and standards differ, our business and reputation may be harmed.

If we fail to or are unable to implement and maintain effective internal controls over our financial reporting, the accuracy and timeliness of our financial reporting may be adversely affected.

As we disclosed in our Form 6-K dated March 1, 2010, we discovered acts of embezzlement by one of our junior level employees during the period from November 2006 to December 2009. In response to the discovery of such acts of embezzlement, our Audit Committee conducted investigations to determine, among other things, the materiality of the amounts embezzled, the design and implementation of internal control processes to detect and prevent similar misappropriations in the future and certain other issues including the appropriateness of certain accounting entries. Based on our review of the facts discovered during the investigations, we believe that the amounts embezzled were not material. We have since recovered substantially all of the embezzled amounts. See also Item 5 Management's Discussion and Analysis of Financial Condition and Results of Operations for additional information pertaining to our Audit Committee investigations and the findings and the impact of financial statement misstatements and other adjustments identified during the investigation.

We and our independent registered public accounting firm also identified the lack of internal controls that gave rise to this embezzlement and financial statement misstatements as material weaknesses in our internal control over financial reporting. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company's annual or interim financial statements will not be prevented or detected on a timely basis. See also Item 15 Controls and Procedures for additional information pertaining to our evaluation and remediation of the material weaknesses identified in our internal controls over financial reporting as of March 31, 2009.

We have taken steps to address the underlying causes of the identified material weakness primarily through the development and implementation of policies and controls, improved process and documented procedures, the retention of third party experts, and the having of additional accounting and finance personnel. We believe that though we have remediated the identified material weaknesses of March 31, 2010, any future reoccurrence of these issues or

other material weaknesses or significant deficiencies may result in our inability to accurately report our financial results or report them within the timeframes required by law or exchange regulations. We cannot assure you that future additional material weaknesses or significant deficiencies will not exist or otherwise be discovered, a risk that is significantly increased in light of the complexity of our business and multinational operations. If material weaknesses or other significant deficiencies were to occur in future periods, our ability to accurately and timely report our financial position, results of operations or cash flows could be impaired, which could result in late filings of our annual and quarterly reports under the Exchange Act, restatements of our consolidated financial statements, a decline in our stock price, suspension or delisting of our ADSs on the New York Stock Exchange, or other material adverse effects on our business, reputation, results of operations, financial condition or liquidity. See also Item 5

Management's Discussion and Analysis of Financial Condition and Results of Operations and Item 15 Controls and Procedures for additional information pertaining to our Audit Committee investigation, the findings and impact of the financial statement misstatements and other adjustments identified during the investigations and our evaluation and remediation of the material weaknesses identified in our internal controls over financial reporting as of March 31, 2009.

Table of Contents

If we are unable to collect our receivables from or invoice our unbilled services to our clients, our results of operations and cash flows could be adversely affected.

Our business depends on our ability to successfully obtain payment from our clients of the amounts they owe us for work performed. We evaluate the financial condition of our clients and usually bill and collect on relatively short cycles. We maintain provisions against receivables and unbilled services. Actual losses on client balances could differ from those that we currently anticipate and as a result we might need to adjust our provisions. There is no guarantee that we will accurately assess the creditworthiness of our clients. Timely collection of client balances also depends on our ability to complete our contractual commitments and bill and collect our contracted revenues. If we are unable to meet our contractual requirements, we might experience delays in collection of and/or be unable to collect our client balances, and if this occurs, our results of operations and cash flows could be adversely affected. In addition, if we experience an increase in the time to bill and collect for our services, our cash flows could be adversely affected.

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, these include time-and-materials pricing, fixed-price pricing, and contracts with features of both of these pricing models. Our pricing is highly dependent on our internal forecasts and predictions about our projects and the marketplace, which might be based on limited data and could turn out to 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. We could face greater risk 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 and geographically distributed service centers. Furthermore, when outsourcing work we occasionally hire 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 and other initiatives that we expect to achieve and sustain over the life of the outsourcing contract. There is a risk that we will under price our contracts, fail to accurately estimate the costs of performing the work or fail to accurately assess the risks associated with potential contracts. In particular, any increased or unexpected costs, 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 profitability could suffer if we are not able to maintain favorable utilization rates.

The cost of providing our services, including the utilization rate of our professionals, affects our profitability. If we are not able to maintain an appropriate utilization rate 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 assimilate new employees;

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

our ability to manage attrition; and

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

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. 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 reimbursable, 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 also may result in our being required to prospectively adjust previously agreed rates for our work and may affect our future margins.

Table of Contents

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 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. Additionally, an allegation of improper activity, even if not proven, could result in adverse publicity and damage to our reputation and business.

Government contracts, and the proceedings surrounding them, 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.

Political and economic factors such as pending elections, changes in leadership among key executive or legislative 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

We are exposed to fluctuations in the market values of our investment portfolio.

Recent turmoil in the financial markets has adversely affected economic activity in the United States and other regions of the world in which we do business. Deterioration of the credit as well as debt and capital markets could result in volatility of our investment earnings and impairments to our investment portfolio, which could negatively impact our financial condition and reported income.

We are exposed to fluctuations in the interest rates for our borrowings.

Recent turmoil in the financial markets has caused and can cause the borrowings rate to go up in the future. Deterioration in the interest rates could negatively impact our financial condition and reported income.

Our financial condition and results of operations may be harmed if we do not successfully reduce market risks through the use of derivative financial instruments.

Since we conduct operations throughout the world, a substantial portion of our assets, liabilities, revenues and expenses are denominated in various currencies other than the Indian rupee. Because our financial statements are denominated in India rupee, fluctuations in currency exchange rates, especially the U.S. dollar against the Indian rupee, could have a material impact on our reported results.

We also experience other market risks, including changes in interest rates of securities that we own. We may use derivative financial instruments to reduce certain of these risks. If our strategies to reduce market risks are not successful, our financial condition and operating results may be harmed.

Management's use of estimates may affect our income and financial position.

To comply with IFRS, management is required to make many judgments, estimates, and assumptions. The facts and circumstances on which management bases these estimates and judgments, and management's judgment of the facts and circumstances, may change from time to time and this may result in significant changes in the estimates, with a negative impact on our assets or income. Current and future accounting pronouncements and other financial reporting standards may adversely affect the financial information we present. We regularly monitor our compliance with all of the financial reporting standards that are applicable to us and any new pronouncements that are relevant to us. Findings of our monitoring activity or new financial reporting standards may require us to change our internal accounting policies and to alter our operational policy so that it reflects new or amended financial reporting standards. We cannot exclude the possibility that this may have a material impact on our assets, income, or cash flows. For a summary of significant accounting policies, refer Note 3 of the Notes to the Consolidated Financial Statements section.

If the Securities and Exchange Commission were to disagree with the conclusion of KPMG India and our Audit Committee that KPMG India is independent for purposes of its audit of Wipro, certain of our financial

statements might have to be re-audited by a new independent registered public accounting firm.

As we disclosed in our Form 6-K dated March 1, 2010, we discovered acts of embezzlement by one of our junior level employees during the period from November 2006 to December 2009. In response to the discovery of such acts of embezzlement, our Audit Committee conducted an investigation to determine, among other things, the materiality of the amounts embezzled, the design and implementation of internal control processes to detect and prevent similar misappropriations in the future and certain other issues including the appropriateness of certain accounting entries. During the course of our investigation of this matter, our Audit Committee learned that this employee had engaged in a number of personal financial transactions, of relatively small value, with a junior member of KPMG India's audit team assigned to the Wipro audit engagement. After being advised of this information, our independent registered public accountants, KPMG India, commenced an internal investigation to determine the scope of the problem and to determine whether its independence with respect to Wipro had been impaired.

During the course of its investigation, KPMG India considered other potential independence matters and took remedial measures to address issues identified. KPMG India concluded that it did not lack independence with respect to Wipro. Based on its review of the facts from KPMG India's investigation and discussions with its external advisors, our Audit Committee concurred with KPMG India's conclusion.

KPMG India voluntarily reported the results of its investigation, to the SEC. We have received a voluntary document request from the SEC's Division of Enforcement. The document request includes, among other things, issues relating to auditor independence. We are cooperating with the SEC's request. The outcome of the SEC's review of this matter is uncertain. A conclusion by the SEC that differs with the conclusions reached by KPMG India and our Audit Committee could have a material adverse effect on us and could, among other things, require us to retain new auditors and have our financial statements for one or more years re-audited.

Risks Related to Investments in Indian Companies and International Operations Generally.

We are incorporated in India, and a substantial portion of our assets and our employees are located in India. Consequently, our financial performance and the market price of our ADSs will be affected by political, social and economic developments affecting India, Government of India policies, including taxation and foreign investment policies, Government currency exchange control and changes in exchange rates and interest rates.

Table of Contents

Wages in India have historically been lower than wages in the United States and Europe, which has been one of our competitive advantages. Wage increases in India may prevent us from sustaining this competitive advantage and may reduce our profit margins.

Our wage costs in India have historically been significantly lower than wage costs in the United States and Europe for comparably skilled professionals, and this has been one of our competitive advantages. However, wage increases in India may prevent us from sustaining this competitive advantage and may negatively affect our profit margins. We may need to increase the levels of our employee compensation more rapidly than in the past to retain talent. Unless we are able to continue to increase the efficiency and productivity of our employees, over the long term, wage increases may reduce our profit margins. Furthermore, increases in the proportion of employees with lower experience, or source talent from other low cost locations, like Eastern Europe, China or South-East Asia could also negatively affect our profits.

We would realize lower tax benefits if the special tax holiday scheme for units set up in special economic zones is substantially modified.

The Government of India introduced a separate tax holiday scheme for units set up in special economic zones. Under this scheme, units in designated special economic zones which began providing services on or after April 1, 2005 will be eligible for a deduction of 100% of profits or gains derived from the export of services for the first five years from commencement of provision of services and 50% of such profits or gains for a further five years.

Recently there have been demands by legislators and various political parties in India that the Government of India should actively regulate the development of special economic zones by private entities. There have also been demands to impose strict conditions which need to be complied with before an economic zone developed by a private entity is designated as special economic zone. If such regulations or conditions are imposed it would adversely impact our ability to set up new units in such designated special economic zones and avail ourselves of tax benefits.

Our profit for the period would decrease if the Government of India imposes additional taxes or withdraws or reduces tax benefits or other incentives.

Currently, we benefit from certain tax incentives under Indian tax laws. As a result of these incentives, our operations have not been subject to significant Indian tax liabilities. These tax incentives currently include a tax holiday from payment of Indian corporate income taxes for our Global IT Services and Products business operated from specially designated Software Technology Parks and Special Economic Zones in India and an income tax deduction of 100% for profits derived from exporting information technology services. As a result, a substantial portion of our pre-tax income has not been subject to significant tax in India in recent years.

The Finance Act, 2000 phases out the 10-year tax holiday available to Companies that export software from specially designated software technology parks, or STPs, in India such that the tax holiday is available only until the earlier of fiscal year 2009 or 10 years after the commencement of a company's undertaking. On May 10, 2008, the Finance Minister of India announced that the Government of India has extended the availability of the 10-year tax holiday by a period of one year such that the tax holiday will be available until the earlier of fiscal year 2010 or 10 years after the commencement of a company's undertaking. In July 2009, the Finance Act (No.2), 2009 again extended the availability of the 10-year tax holiday by a period of one year such that the tax holiday will be available until the earlier of fiscal year 2011 or 10 years after the commencement of a company's undertaking.

The Finance Act, 2007 has included income eligible for deductions under sections 10A and 10B of the Indian Income Tax Act (sections that provide tax holiday benefits) in the computation of book profits for the levy of a Minimum Alternative Tax, or MAT. The Finance Act, 2010 has increased the rate of MAT, effective April 1, 2010, to 19.93% (including a surcharge and education cess) on our book profits determined after including income eligible for deductions under Sections 10A and 10B of the Indian Income Tax Act. The Income Tax Act provides that the MAT paid over normal tax payable that could be carried forward can be adjusted against our tax liability over the next ten years. Although MAT paid by us can be set off against our future income tax liability, our cash flows could be adversely affected.

In the event that the Government of India or the government of another country changes its tax policies in a manner that is adverse to us, our tax expense may materially increase, reducing our profitability.

In recent years, the Government of India has introduced a tax on various services provided within India, including the maintenance and repair of software. In the Finance Act, 2008, the Government of India has included services provided in relation to information technology software under the ambit of a service tax, if it is in the course of or in furtherance of the business. Under this tax, service providers are required to pay a tax of 10% (excluding applicable education cess) on the value of services provided to customers. The Government of India may expand the services covered under the ambit of this tax to include various services provided by us. This tax, if expanded, could increase our expenses, and could adversely affect our operating margins and revenues. Although currently there is no material pending or

Table of Contents

threatened claims against us for service taxes, such claims may be asserted against us in the future. Defending these claims would be expensive and divert our attention and resources from operating our company.

We are subject to U.S. tax on income, taking into account corresponding deductions, attributable to the permanent establishment in the United States due to operation of our U.S. branch. Such tax is assessed at a rate of up to 35%. In addition, we are subject to a 15% Branch Profit Tax, or BPT, in the United States on the dividend equivalent amount as the term is defined under U.S. tax laws. Based on the net profits of our United States branch for fiscal 2010 and the net assets held as of March 31, 2010 and March 31, 2009, we are not currently subject to BPT. In the event that BPT is triggered, then such after-tax net profits not represented by an increase in net assets would be treated as a deemed distribution of accumulated profits and we would be liable to pay additional taxes on all such deemed distributions, thereby increasing our income tax expenses and affecting our profits negatively.

We operate in jurisdictions that impose transfer pricing and other tax-related regulations on us, and any failure to comply could materially and adversely affect our profitability.

We are required to comply with various transfer pricing regulations in India and other countries. Failure to comply with such regulations may impact our effective tax rates and consequently affect our net margins. Additionally, we operate in several countries and our failure to comply with the local tax regime may result in additional taxes, penalties and enforcement actions from such authorities. In the event that we do not properly comply with transfer pricing and tax-related regulations, our profitability may be adversely affected.

Terrorist attacks or a war could adversely affect our business, results of operations and financial condition.

Terrorist attacks, such as the attacks of September 11, 2001 in the United States, the attacks of July 7, 2005 in London, the attacks of June 30, 2007 in Glasgow, the attacks in November 2008 in Mumbai and other acts of violence or war, such as the continuing conflict in Iraq and Afghanistan, have the potential to directly impact our clients. To the extent that such attacks affect or involve the United States or Europe, our business may be significantly impacted, as the majority of our revenue is derived from clients located in the United States and Europe. In addition, such attacks may make travel more difficult, may make it more difficult to obtain work visas for many of our technology professionals who are required to work in the United States or Europe, and may effectively curtail our ability to deliver our services to our clients. Such obstacles to business may increase our expenses and negatively affect the results of our operations. Furthermore, any terrorist attacks in India could cause a disruption in the delivery of our services to our clients, and could have a negative impact on our business, personnel, assets and results of operations, and could cause our clients or potential clients to choose other vendors for the services we provide. Terrorist threats, attacks or war could also delay, postpone or cancel our clients' decisions to use our services.

The markets in which we operate are subject to the risk of earthquakes, floods and other natural disasters.

Some of the regions that we operate in are prone to earthquakes, flooding and other natural disasters. In the event that any of our business centers are affected by any such disasters, we may sustain damage to our operations and properties, suffer significant financial losses and be unable to complete our client engagements in a timely manner, if at all. Further, in the event of a natural disaster, we may also incur costs in redeploying personnel and property. In addition if there is a major earthquake, flood or other natural disaster in any of the locations in which our significant customers are located, we face the risk that our customers may incur losses, or sustained business interruption and/or loss which may materially impair their ability to continue their purchase of products or services from us. A major earthquake, flood or other natural disaster in the markets in which we operate could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Regional conflicts in South Asia could adversely affect the Indian economy, disrupt our operations and cause our business to suffer.

South Asia has from time to time experienced instances of civil unrest and hostilities among neighboring countries, including between India and Pakistan. In recent years there have been military confrontations between India and Pakistan that have occurred in the region of Kashmir and along the India-Pakistan border. The potential for hostilities between the two countries is high due to terrorist incidents in India and the aggravated geopolitical situation in the region. Both countries have initiated active measures to reduce hostilities. Military activity or terrorist attacks in

the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. This, in turn, could have a material adverse effect on the market for securities of Indian companies, including our equity shares and our ADSs, and on the market for our services.

Table of Contents**Political considerations in the Indian Government could delay the liberalization of the Indian economy and adversely affect economic conditions in India in general, which could in return impact our financial results and prospects.**

Since 1991, successive Indian Governments have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector. Nevertheless, the role of the Indian Central and State Governments in the Indian economy as producers, consumers and regulators has remained significant. Although we believe that the process of economic liberalization will continue, the rate of economic liberalization could change, and specific laws and policies affecting technology companies, foreign investment, currency exchange and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could adversely affect business and economic conditions in India generally and our business in particular.

For instance in April 2007, the Government of India announced a number of changes in its policy relating to the Special Economic Zones (SEZs) including specifying a cap on land available for SEZs. The Government is also considering making changes in its SEZ policy. We currently have several facilities operating within SEZs and any adverse change in policy relating to SEZs could affect our profitability.

Indian law limits our ability to raise capital outside India and may limit the ability of others to acquire us, which could prevent us from operating our business or entering into a transaction that is in the best interests of our shareholders.

Indian law constrains our ability to raise capital outside of India through the issuance of equity or convertible debt securities. Generally, any foreign investment in, or an acquisition of, an Indian company requires approval from relevant Government authorities in India, including the Reserve Bank of India. However, subject to certain exceptions, the Government of India currently does not require prior approvals for IT companies such as ours. If we are required to seek the approval of the Government of India and the Government of India does not approve the investment or implements a limit on the foreign equity ownership of IT companies, our ability to seek and obtain additional equity investment by foreign investors will be limited. In addition, these restrictions, if applied to us, may prevent us from entering into a transaction, such as an acquisition by a non-Indian company, which would otherwise be beneficial for our company and the holders of our equity shares and ADSs.

Our ability to acquire companies organized outside India depends on the approval of the Government of India. Our failure to obtain approval from the Government of India for acquisition of companies organized outside India may restrict our international growth, which could negatively affect our revenue.

The Ministry of Finance of the Government of India and/or the Reserve Bank of India must approve our acquisition of any company organized outside of India or grant general or special permission for such acquisition. The Reserve Bank of India permits acquisitions of companies organized outside of India by an Indian party without approval in the following circumstances:

if the transaction consideration is paid in cash, up to 400% of the networth of the acquiring Company;

If the acquisition is funded with cash from the acquiring company's existing foreign currency accounts or with cash proceeds from the issue of ADRs/GDRs; or

if the transaction consideration is paid in stock (i.e., by issue of ADRs/GDRs), up to ten times the acquiring company's previous fiscal year's export earnings.

We cannot assure you that any required approval from the Reserve Bank of India and or the Ministry of Finance or any other Government agency can be obtained. Our failure to obtain such approvals from the Government of India for acquisitions of companies organized outside India may restrict our international growth, which could negatively affect our revenue.

It may be difficult for you to enforce any judgment obtained in the United States against us, the selling shareholders or our affiliates.

We are incorporated under the laws of India and many of our directors and executive officers, reside outside the United States. A substantial portion of our assets and the assets of many of these persons are located outside the

United States. As a result, you may be unable to effect service of process upon us outside of India or upon such persons outside their jurisdiction of residence. In addition, you may be unable to enforce against us in courts outside of India, or against these persons outside the jurisdiction of their residence, judgments obtained in courts of the United States, including judgments predicated solely upon the federal securities laws of the United States.

Table of Contents

We have been advised by our Indian counsel that the United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments (other than arbitration awards) in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain approval from the Reserve Bank of India under the Foreign Exchange Management Act, 1999, to execute such a judgment or to repatriate any amount recovered.

The laws of India do not protect intellectual property rights to the same extent as those of the United States, and we may be unsuccessful in protecting our intellectual property rights. Unauthorized use of our intellectual property may result in development of technology, products or services which compete with our products. We may also be subject to third-party claims of intellectual property infringement.

Our intellectual property rights are important to our business. We rely on a combination of copyright and trademark laws, trade secrets, confidentiality procedures and contractual provisions to protect our intellectual property. However, the laws of India do not protect proprietary rights to the same extent as laws in the United States. Therefore, our efforts to protect our intellectual property may not be adequate. Our competitors may independently develop similar technology or duplicate our products or services. Unauthorized parties may infringe upon or misappropriate our products, services or proprietary information.

The misappropriation or duplication of our intellectual property could disrupt our ongoing business, distract our management and employees, reduce our revenue and increase our expenses. We may need to litigate to enforce our intellectual property rights or to determine the validity and scope of the proprietary rights of others. Any such litigation could be time-consuming and costly. As the number of patents, copyrights and other intellectual property rights in our industry increases, and as the coverage of these rights increases, we believe that companies in our industry will face more frequent infringement claims. Defending against these claims, even if not meritorious, could be expensive and divert our attention and resources from operating our company.

Although we believe that our intellectual property rights do not infringe on the intellectual property rights of any other party, infringement claims may be asserted against us in the future. If we become liable to third parties for infringing their intellectual property rights, we could be required to pay a substantial damage award and be forced to develop non-infringing technology, obtain a license or cease selling the applications or products that contain the infringing technology. We may be unable to develop non-infringing technology or to obtain a license on commercially reasonable terms, or at all.

Risks Related to the ADSs

Sales of our equity shares may adversely affect the prices of our equity shares and the ADSs.

Sales of substantial amounts of our equity shares, including sales by insiders, in the public market, or the perception that such sales may occur, could adversely affect the prevailing market price of our equity shares or our ADSs or our ability to raise capital through an offering of our securities. In the future, we may also sponsor the sale of shares currently held by some of our shareholders, or issue new shares. We can make no prediction as to the timing of any such sales or the effect, if any, that future sales of our equity shares, or the availability of our equity shares for future sale, will have on the market price of our equity shares or ADSs prevailing from time to time.

An active or liquid trading market for our ADSs is not assured.

An active, liquid trading market for our ADSs may not be maintained in the long term. Loss of liquidity could increase the price volatility of our ADSs.

Indian law imposes foreign investment restrictions that limit a holder's ability to convert equity shares into ADSs, which may cause our ADSs to trade at a premium or discount to the market price of our equity shares.

Under certain circumstances, the Reserve Bank of India must approve the sale of equity shares underlying ADSs by a non-resident of India to a resident of India. The Reserve Bank of India has given general permission to effect sales of existing shares or convertible debentures of an Indian company by a resident to a non-resident, subject to certain conditions, including the price at which the shares may be sold. Additionally, except under certain limited circumstances, if an investor seeks to convert the rupee proceeds from a sale of equity shares in India into foreign currency and then repatriate that foreign currency from India, he or she will have to obtain an additional Reserve Bank of India approval for

Table of Contents

each transaction. Required approval from the Reserve Bank of India or any other Government agency may not be obtained on terms which are favorable to a non-resident investor or at all.

Investors who exchange ADSs for the underlying equity shares and are not holders of record will be required to declare to us details of the holder of record, and the holder of record will be required to disclose the details of the beneficial owner. Any investor who fails to comply with this requirement may be liable for a fine of up to Rs. 1,000 for each day such failure continues. Such restrictions on foreign ownership of the underlying equity shares may cause our ADSs to trade at a premium or discount to the equity shares.

An investor in our ADSs may not be able to exercise preemptive rights for additional shares and may thereby suffer dilution of his or her equity interest in us.

Under the Indian Companies Act, a company incorporated in India must offer its holders of equity shares preemptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless such preemptive rights have been waived by three-fourths of the shares voting on the resolution to waive such rights. Holders of ADSs may be unable to exercise preemptive rights for equity shares underlying ADSs unless a registration statement under the Securities Act is effective with respect to such rights or an exemption from the registration requirements of the Securities Act is available. We are not obligated to prepare and file such a registration statement and our decision to do so will depend on the costs and potential liabilities associated with any such registration statement, as well as the perceived benefits of enabling the holders of ADSs to exercise their preemptive rights, and any other factors we consider appropriate at the time. No assurance can be given that we would file a registration statement under these circumstances. If we issue any such securities in the future, such securities may be issued to the Depository, which may sell such securities for the benefit of the holders of the ADSs. There can be no assurance as to the value, if any; the Depository would receive upon the sale of such securities. To the extent that holders of ADSs are unable to exercise preemptive rights granted in respect of the equity shares represented by their ADSs, their proportional interests in us would be reduced.

ADS holders may be restricted in their ability to exercise voting rights.

At our request, the Depository will mail to you any notice of shareholders' meeting received from us along with information explaining how to instruct the Depository to exercise the voting rights of the securities represented by ADSs. If the Depository receives voting instructions from you in time, relating to matters that have been forwarded to you, it will endeavor to vote the securities represented by your ADSs in accordance with such voting instructions. However, the ability of the Depository to carry out voting instructions may be limited by practical and legal limitations and the terms of the securities on deposit. We cannot assure that you will receive voting materials in time to enable you to return voting instructions to the Depository in a timely manner. Securities for which no voting instructions have been received will not be voted. There may be other communications, notices or offerings that we only make to holders of our equity shares, which will not be forwarded to holders of ADSs. Accordingly, you may not be able to participate in all offerings, transactions or votes that are made available to holders of our equity shares.

We may be classified as a passive foreign investment company, which could result in adverse United States federal income tax consequence to U.S. holders.

Based on the current price of our ADSs and the composition of our income and assets, we do not believe that we are a passive foreign investment company, or PFIC, for United States federal income tax purposes for our current taxable year ended March 31, 2010. However, a separate determination must be made each year as to whether we are a PFIC (after the close of each taxable year). We cannot assure you that we will not be a PFIC for any future taxable year. If we were treated as a PFIC for any taxable year during which a United States holder held an equity share or an ADS, certain adverse United States federal income tax consequences could apply to the United States holder. See Taxation Material United States Federal Tax Consequences Passive foreign investment company.

Item 4. Information on the Company**History and Development of the Company**

Wipro Limited was incorporated on December 29, 1945 as Western India Vegetable Products Limited under the Indian Companies Act, VII of 1913, which is now superseded by the Companies Act, 1956. We are deemed to be registered under the Companies Act, 1956, or the Companies Act. We are registered with the Registrar of Companies, Karnataka, Bangalore, India as Company No. 20800. Our registered office is located at Doddakannelli, Sarjapur Road,

Bangalore 560 035, and the telephone number of our registered office is +91-80-2844-0011. In October 2000, we raised gross aggregate proceeds of approximately \$131 million in our initial U.S. public offering of our ADSs on the New York Stock Exchange. The name and address of our registered agent in the United States is CT Corporation, located at 1350 Treat Blvd., Suite 100, Walnut Creek, California 94596.

Table of Contents

Wipro Limited was initially engaged in the manufacture of hydrogenated vegetable oil. Over the years, we have diversified into the areas of Information Technology or IT services, IT products, Consumer Care and Lighting Products and Eco-energy. We are headquartered in Bangalore, India and have operations in North America, Europe and Asia. For the fiscal year ended March 31, 2010, 92% of our operating income was generated from our IT Services business segment. For the same period, IT Products business segment represented 3% of our operating income and Consumer Care and Lighting and Others business segment including reconciling items, represented 5% of our operating income.

We incurred capital expenditure of Rs. 16,746 million and Rs. 12,631 million during the fiscal years ended March 31, 2009 and 2010, respectively. These capital expenditures were primarily incurred on new software development facilities in India for our IT Services and IT Products business segment. As of March 31, 2010, we had contractual commitments of Rs. 2,782 million (\$62 million) related to capital expenditures on construction or expansion of software development facilities. We currently intend to finance our planned construction and expansion entirely through our operating cash flows and through cash and investments as of March 31, 2010.

Industry Overview*IT Services*

According to NASSCOM Strategic Review Report 2010, IDC forecasts a cumulative annual growth rate (CAGR) of over 4.08% in worldwide IT services and IT enabled services (IT-ITeS) spending and a CAGR of over 6.18% in offshore IT spending, for the period 2008-13. The combined market for Indian IT-ITeS in fiscal 2010 was nearly \$63 billion. Key factors supporting this projection are the growing impact of technology led innovation, the increasing demand for global sourcing and gradually evolving socio-political attitudes.

IDC forecasts worldwide IT services spending of approximately \$695 billion by 2013, reflecting a compound annual growth rate, or CAGR, of 3.3%. However, Forrester US and Global IT Market Outlook Q4 2009, predicts that U.S. IT market will grow by 6.6% in 2010 following a drop of 8.2% in 2009. Companies are increasingly turning to offshore technology service providers in order to meet their need for high quality, cost competitive technology solutions. Technology companies have been outsourcing software research and development and related support functions to offshore technology service providers to reduce cycle time for introducing new products and services.

Following are key factors contributing to the growth of India-based IT services:

India based sourcing offers significant cost advantages in terms of accessing highly skilled talent at lower wage costs and productivity gains that can be derived from having a very competent employee base.

According to NASSCOM's Strategic Review Report 2010, the cost advantage achievable from outsourcing to India is unlikely to go away due to an absolute cost advantage vis-à-vis other key markets and the prospect of further reductions in infrastructure and overhead costs. According to NASSCOM's Strategic Review Report 2010, despite operating cost increase in offshore locations, India will still have substantial cost arbitrage of around 60% in 2015.

India-based IT companies have proven their ability to deliver IT services that satisfy the requirements of international clients who expect the highest quality standards. According to NASSCOM's Strategic Review Report 2010, India based centers (both Indian firms as well as MNC owned captives) have earned more quality certifications than any other country, over 571 India based centers (both Indian firms as well as MNC owned captives) had acquired quality certifications with 43% companies certified SEI CMM Level 5 and 164 companies had acquired security certifications.

India has a large, highly skilled English-speaking labor pool that is available at a relatively low labor cost. According to NASSCOM Strategic Review Report 2010, the Indian IT industry employed nearly 2,286,000 software professionals as of 2009-10, making it one of the largest employers in the IT services industry. According to the same report, India has the largest pool of suitable off-shore talent.

With the time differential between India and its largest market, the United States, Indian companies are able to provide a combination of onsite and offshore services on a 24-hour basis on specific projects.

The Indian IT industry has been the primary beneficiary of the rapid transformation of the telecom sector since it was deregulated to allow private participation, with the cost of international connectivity declining rapidly and service level quality improving significantly. This cost advantage is likely to continue due to lower penetration levels and a growing consumer base.

Table of Contents

India is also a leading destination for IT enabled services. The proven track record and client relationships of established Indian IT services companies, favorable wage differentials, availability of a large, high quality, English speaking talent pool and a regulatory environment more friendly to investment are facilitating India's emergence as a global outsourcing hub. According to NASSCOM Strategic Review Report 2010, the worldwide BPO market is expected to touch \$148 billion by 2013, representing a compounded annual growth rate, or CAGR, of 6.11%.

According to IDC's report India domestic IT/ITeS market top 10 predictions for 2010, the India domestic IT/ITeS market growth rate will come down from an average of 24% recorded during 2003-08 to an average of 14.6% from 2009 to 2013.

In India, the IT services market is estimated to account for 39% of the domestic IT industry. The growth in the Indian IT services market is estimated to be around 12% in US\$ terms. The key verticals driving the growth of the IT services market are Retail, Government, Healthcare, Telecom and Manufacturing.

IT Products

According to NASSCOM Strategic Review Report 2010, IDC forecasts that worldwide hardware spending will increase from \$600 billion in 2008 to \$680 billion in 2013, representing a compounded annual growth rate, or CAGR, of 2.53%.

According to IDC, the hardware market account for 39% of the Indian hardware industry. The key components of the hardware industry are servers, clients (desktops and laptops), storage devices, peripherals and networking equipments. The overall hardware growth is projected at 8% for the India market with Storage and networking products leading growth within this segment in 2010.

According to NASSCOM Strategic Review Report 2010, the hardware market in India is estimated to account for 39% of the domestic IT industry, growing at about 3% in 2010. Personal computers (including desktops and notebooks) continue to be purchased at higher rates than other products in the hardware market. As prices come down, notebooks are increasingly being adopted as the computing device of choice. For the desktop segment, consumers are showing an increasing trend of moving away from locally assembled items towards branded products with relatively higher end configurations.

Consumer Care and Lighting

The consumer care market includes personal care products, soaps, toiletries, infant care products, modular switch lights and modular office furniture. We have a strong brand presence in a niche segment and have significant market share in select regions in India. In addition, we have a strong presence in the market for personal care products in south-east Asia and Middle-East Asia.

AC Nielsen estimates that India is amongst the fastest growing geographies for FMCG, with a 2009 growth rate of 14.0% for the non-food segment, largely led by price increases. This market is estimated to grow at a CAGR of 8% 10% for the period 2010-2013. The household and personal care FMCG market in the other Asian countries in which we operate including Malaysia, Vietnam and Indonesia, are expected to grow at a CAGR of 8% for the period 2010-2013.

The Indian domestic market for institutional lighting and office modular furniture is estimated at U.S. \$600 million and is expected to grow at the rate of 10% to 15% for the period 2010-2011. Key sectors contributing to the growth are expected to be modern work spaces, IT-ITeS, Retail, Healthcare and Government Infrastructure spending.

We expect to increase our market share organically in our identified geographies. In addition we continue to look at acquiring established brands which complement our brand presence and distribution strengths.

Business Overview

We are a leading global IT services company. We also provide outsourced research and development, infrastructure outsourcing, BPO and business consulting services. We have been acknowledged among leading offshore providers of technology services by Gartner Inc, Forrester Research Inc and other leading research and advisory firms. In April 2009, Forrester ranked Wipro as the leader in Global IT Infrastructure Outsourcing services based on an evaluation of various criteria including client references. In terms of other achievements, we won the 2010 Global Impact award from Metro Atlanta chamber of commerce under the category of economic development, foreign direct investment. In February 2010, we also won NASSCOM IT Innovation Award in process innovation category for the year 2009.

We provide a comprehensive range of IT services, software solutions, IT consulting, business process outsourcing or BPO services and research and development services in the areas of hardware and software design to leading companies worldwide. We combine the business knowledge and industry expertise of our domain specialists and the technical knowledge and implementation skills of our delivery team in our development centers located in India and around the

Table of Contents

world, to develop and integrate solutions which enable our clients to leverage IT for achieving their business objectives. We use our quality processes and global talent pool for delivering time to development advantage, cost savings and productivity improvements.

Our objective is to be a world leader in providing a comprehensive range of IT services to our clients. The markets we address are undergoing rapid change due to the pace of developments in technology, changes in business models and changes in the sourcing strategies of clients. We believe that these trends provide us with significant growth opportunities.

Our overall business strategy***Aggressively build awareness of the Wipro brand name***

We continue to aggressively build awareness among clients and consumers both domestically and internationally of the Wipro brand name. We believe we can leverage the strength of an international brand name across all of our businesses by ensuring that our brand name is associated with Wipro's position as a market leader that is committed to high quality standards. And to achieve this objective, we intend to expand our marketing efforts with advertising campaigns and promotional efforts that are targeted at specific groups.

Pursue selective acquisition of companies

Acquisitions are an inherent part of our corporate strategy. In the last three fiscal years, we have made several acquisitions, including the acquisition of Infocrossing Inc. and its subsidiaries (Infocrossing), Unza Holding Limited (Unza) and Citi Technology Services Limited. In December 2009, we acquired Lornamead FZE (an entity incorporated in Dubai) and Lornamead Personal Care Private Limited (an entity incorporated in India), operating in the personal care category marketing fragrance products, bath and shower products and skin care products. We believe our acquisition program supports our long-term strategic direction, strengthens our competitive position, particularly in acquiring new domain expertise, expands our customer base, increases our ability to expand our service offerings and provides greater scale to grow our earnings and increase stockholder value. In pursuing acquisitions, we also focus on companies where we can leverage domain expertise and specific skill sets, and where a significant portion of the work can be moved out of client premises to leverage our global delivery model and realize higher margins.

Sustain growth in operating income and cash flow of our traditional businesses

We have been in the consumer care business since 1945 and the lighting business since 1992. The consumer care business has historically generated surplus cash for us to be able to grow our other businesses. Our strategy is to maintain a steady growth in operating income for these businesses through efficient capital utilization, strong brand name recognition and expanding our nationwide distribution network. We have invested in brands which complement our brand and distribution strengths.

Continue development of our deep industry knowledge

We continue to build specialized industry expertise in the IT service industry. We combine deep industry knowledge with an understanding of our clients' needs and technologies to provide high value, quality services. Our industry expertise can be leveraged to assist other clients in the same industries, thereby improving quality and reducing the cost of services to our clients. We will continue to build on our extensive industry expertise and enter into new industries.

Segment overview**IT Services**

Our IT Services segment provide a range of IT and IT enabled services which includes IT consulting, custom application design, development, re-engineering and maintenance, systems integration, package implementation, technology infrastructure outsourcing, BPO services and research and development services in the areas of hardware and software design.

Our IT Services segment accounted for 75% of our total revenues for each of the years ended March 31, 2009 and 2010, respectively. Our IT Services segment accounted for 93% and 92% of our total operating income for the years ended March 31, 2009 and 2010, respectively.

Table of Contents

Our strategy

Significantly expand our IT Services business

We expect to continue to grow our IT Services business and the percentage of our total revenues and profits contributed by this business over the next few years. We believe that we can achieve this objective through the following means:

Identify and develop service offerings in emerging growth areas as separate business opportunities. Currently we are focusing on areas such as business intelligence services, package implementation, niche consulting, data warehousing and network storage;

Increase our share of the total IT spending by our large customers through focused account management and more effective selling of all service lines to our existing customers;

Develop industry specific point solutions and use them as entry strategies by demonstrating industry knowledge and understanding of customer businesses and the benefits of outsourcing;

Offer new pricing models, sharing the risks and rewards of the impact of IT solutions on business, productivity improvements and timeliness of delivery;

Use efficient global sourcing models to source IT services from various geographies and develop methodologies to develop and integrate solutions from around the globe;

Leverage our experience in providing IT infrastructure management services in the Indian market and data center capabilities of Infocrossing Inc. to expand our technology infrastructure support services;

Grow our research and development services by focusing on high growth markets such as telecommunications, mobile communications and the Internet, and high growth technologies such as embedded software;

Expand our market presence by providing enterprise application integration and system integration services;

Expand our service line by investing in eBusiness solutions around information security, business intelligence and information system, service oriented architecture and web based applications; and

Expand our business consulting services and position consulting services as strategic differentiator over other competing entities.

Increase the number of clients and penetration with such clients of our IT Services business

We intend to increase the number of our clients through a dedicated sales team focused on new client acquisition and increasing our presence in Europe and Asia. Our goal is to make new client accounts generate at least \$1 million in annual revenues within twelve months of opening each account. Through our MEGA and GAMA account initiative our dedicated key account management team focuses on growing identified customers to over \$100 million and \$50 million of annualized revenues, respectively. The number of customers from whom we derived annualized revenues in excess of \$50 million is 16 as of March 31, 2010.

Service offering

Our IT Services business segment is a leader in providing IT services to companies across the globe. We provide our clients customized IT solutions to improve their business competitiveness. We offer these services globally through a team of over 108,000 professionals. This business segment accounted for 75% of our revenue and 92% of our operating income for the year ended March 31, 2010. Our service offerings include:

Consulting: We leverage our domain expertise and knowledge base in specific areas to provide consulting services. Our service offering includes business transformation services, process excellence, functional excellence,

enterprise architecture consulting, Governance, risk and compliance and Government consulting.

For example we were engaged by one of the world's largest brewers for a transformation project to bring in standardization in the transitioned processes at its shared services center, implement world class tools and technologies, and bring in process improvement. We have identified various gaps and areas of improvement in the processes and various sub-projects are

Table of Contents

implemented simultaneously to simplify processes, increase process efficiency and reduce costs, resulting in reduction in efforts.

Total Outsourcing: Wipro Total Outsourcing (TOS) services are targeted at achieving maximum value by providing end-to-end best of breed IT practices for your business. From technology optimization to mitigating risks, we fulfill customer constant IT infrastructure and application demands while evaluating, deploying and managing flexible, responsive and economical solutions. Through our acknowledged quality processes and program governance frameworks, we help customer achieve and sustain business momentum. Through our TOS offering, we have helped organizations strategize, integrate, manage, maintain and sustain their IT infrastructure to emerge stronger in their respective domains. Our customers outsource their IT requirements to us, thus enabling them to focus on their core competencies. Our Total Outsourcing proposition delivers improved business benefit by effectively managing Information Technology life cycle of the organization and helps enhance shareholders value.

Enterprise Technology Integration: Our integration services include consultancy, system integration and project management of IT services that provide application and enterprise systems integration, business continuity planning, contact center infrastructure, data centers, disaster recovery services, enterprise management, network integration, platform integration, retail automation and security infrastructure services. Being a pure-play system Integrator, we deliver the best of breed solutions to customers with our vendor agnostic approach.

Infrastructure Management Services: Our global delivery model offers best-shore solutions by leveraging our offshore, onsite and nearshore centers, along with our global alliances. Our Follow the Sun principle enables round-the-clock productivity making 24x7 support a reality. We thus ensure business continuity where work can be seamlessly transferred to other support centers. Our range of alternate delivery models and its strength in process and quality excellence ensure Service Quality Assurance. Our service delivery models are dedicated to ensure the high availability of your IT infrastructure and applications. From assuring customers of the highest security to quality processes, we provide customer businesses a competitive edge in the market. To meet the varying needs of different organizations, we adopt a flexible approach to service delivery through onsite, multi-site and offsite engagement models. We offer Remote Monitoring and Support Services from our Global Command Centers (GCC) and Global Service Management Centers (GSMC) spread across India, Middle East, Malaysia, US, UK and Eastern Europe.

Enterprise Application Services: Our Enterprise Application Services (EAS) proactively assists organizations in their business transformation initiatives and offers strategic vision which aims at redesigning business processes, thus helping reduce total cost of ownership (TCO), increase ROI and improve productivity. We offer skilled resources and best-in-class technology for implementation, upgrades, consolidation and enhancement.

Our services under EAS include:

Enterprise Resource Planning: Our ERP expertise is driven by dedicated partnerships with ERP software providers like SAP, Oracle (including PeopleSoft and JD Edwards) and Microsoft. Mapping functionalities of ERP applications against business requirements, we provide consulting, implementation, upgrades, application management and SOA services across financial management and human capital management domains.

Supply Chain Management: We deliver business consulting and technical integration services for Supply Chain Management (SCM) through our strategic alliances with SAP, Oracle, i2, Ariba and Manugistics. We recognize our customer's need for a strong supply chain management that would release entrapped value in the supply chain and facilitate collaboration, between the internal and external stakeholders of the company. Our SCM services include collaboration demand and supply planning, integrated manufacturing planning and execution, Logistics and fulfillment management, strategic sourcing, procurement and spend analysis and supply chain visibility.

Customer Relationship Management: Our CRM project execution is mainly driven by our in-depth experience in providing end-to-end CRM solutions to Fortune 500 companies. We are leading partners with Oracle Siebel, SAP CRM, Microsoft Dynamics CRM and salesforce.com and leverage these partnerships to provide CRM services, ranging from consulting and implementation to upgrades and application management services.

Testing Services: We are one of the largest Offshore Testing Services providers, with over 8,300 dedicated employees and over 350 customers across the globe, including engagements with many Fortune 500 companies. Our service portfolio in testing covers many user needs from product/ application concept to deployment, and across the stages of the product/ application life cycle.

Product Engineering Services: With our strong domain knowledge, leading connectivity IP portfolio and a strong manufacturing ecosystem (Silicon, PCB, and product assembly) and consulting practice, we are suitably placed to provide customers the lowest possible TCO without sacrificing product quality. We have the technical capability and domain knowledge to quickly turn around a product design from requirements to proof of concept or prototypes. We have a dedicated product development teams for Telecom, computing and embedded industry segments.

Table of Contents

Customized applications: We enable our clients to leverage IT to achieve business goals and to align their IT systems with their business strategy by creating customized solutions, selecting appropriate technologies, implementing systems on a fast-track basis, and ensuring overall quality.

Application Development: We offer well-defined and mature application development processes over a broad spectrum of technology areas that include client or server applications, object-oriented software, Internet or intranet applications and mainframe applications.

Application Management Services: Our proven application maintenance capability, offers unique and innovative solutions for managing customers application IT estate efficiently. We have invested on customer-centric business models (FlexDelivery) to provide predictable, scalable and cost effective delivery paradigms.

Business Technology Services (BTS): We provide a comprehensive range of Business Technology Services primarily to Fortune 1000 and Global 500 companies to meet their business needs. Business Technology Services helps customers realize high business value by incorporating information strategy, business collaboration, business integration and managing IT risk, across the value chain of the enterprise. We are at the forefront of building business and technology solutions and IPs, applying advanced technology areas including cloud computing, sustainability, mobility, social computing and analytics among others. Our solutions enable organizations to drive critical business outcomes leveraging information technology. Our business technology services have served clients from a range of industries including Energy and Utilities, Retail, Financial Services, Technology, Media and Entertainment and Healthcare. Our delivery capabilities are supplemented by a holistic quality approach that integrates quality processes like Six Sigma, SEI CMM Level 5 and CMM to eliminate defects in execution.

Our offerings under BTS include:

Business Intelligence and Information Management: Our Information Strategy framework is geared to move organizations from a network of silos to an enterprise that unleashes value by leveraging information as a Strategic Enterprise Asset .

We offer comprehensive services across:

Information lifecycle management which includes Enterprise Data Warehousing Master Data and Metadata Management etc.

Business intelligence that helps organization improve operational efficiencies

Business Analytics that helps organizations plan and optimize business outcomes

Enterprise Performance Management to measure financial performance and other strategic target.

Portals and content management: We provide consulting, design development, integration and support services for portal services and content management solutions to clients across a multitude of industries. Our enterprise portal capabilities enhance value to customers through innovative offerings in areas of usability, Web 2.0 offerings, enterprise portals, enterprise search and e-commerce.

Enterprise business integration: Our business integration solutions and services have enabled clients to collaborate with business processes across the extended supply chain and access accurate, real- time information exchange. The services offerings span Enterprise Application Integration, Business to Business Integration, Packaged Application Integration, Appliance Based Integration, Service Oriented Architecture (SOA), Legacy Modernization, e-Mobility, RFID, GRID Computing and GIS.

Enterprise security solutions: We offer comprehensive security solutions that streamline security technologies and management processes to mitigate security risks. Our services span the entire IT Security spectrum and include Advisory, Transformation and Managed Solutions and services. The objective is to enhance IT security while ensuring maximum Return On Security Investment (ROSI).

Business Process Management (BPM): As one of the leading global BPM solution providers, we provide a comprehensive set of business process engineering and management solutions. Our combination of strong industry knowledge, business process consulting expertise, technology leadership and proven best practices enable customers to reduce time to market, achieve greater agility and accelerate ROI from their Business Process Management initiatives.

Service Oriented Architecture(SOA): We view SOA as the key to enable business benefits. It helps organizations to strategically align IT to their business process transformation needs. We provide consulting, business process and

Table of Contents

technology transformation solutions based on SOA leveraging our business, technology & infrastructure assets. The comprehensive service set includes Enterprise SOA Transformation Services, SOA Business Process Services, SOA Package Application and Application Integration Solution, SOA System Integration services, Legacy migration and infrastructure services and platform enabled BPO services.

Legacy Modernization: Our Legacy Modernization Services provide organizations a strong foundation for business growth while preserving existing investments and lowering costs of operation. Our Legacy Modernization Services is about preserving the business logic of existing systems while adapting to modern technologies like J2EE/.NET using a SOA framework and extending the value of existing legacy systems through different approaches.

eMobility: We help customers by delivering mobile solutions for Business to Business (B2B) and Business to Consumer solutions (B2C). We provide consulting, system integration, development and support services in the wireless and mobile application space.

Project and Portfolio Management: Our Project and Portfolio Management Solutions (PPM) group provides technology-enabled solutions for Enterprise Portfolio Management (EPM), IT Governance, Program Management Office (PMO) initiatives, project management, new product development, and related areas. We assists our global customers in implementing PPM best practices to better manage their portfolio of business investments and align business with IT. The PPM group engages with customers to conduct PPM assessments, build roadmaps, select the technology (PPM tool) and conduct multi-phase implementations.

Business Process Outsourcing (BPO) Services: Wipro BPO is one of India's leading offshore BPO providers. Wipro BPO enables clients to improve the quality of their processes, reduce costs and realize benefits of scale. Wipro BPO is uniquely positioned to service customer requirements by leveraging its quality and innovation, talented employees, self sustaining process framework and domain knowledge. We offer customized service offerings; that translate into flexible and cost effective services of the highest quality for our customers. For example, for a leading telecom company located in multiple locations and operating in multiple languages, we transitioned the back office work related to finance and accounting, order management and procurement streams. We have transformed the business in three phases – understanding operations capabilities, process improvement approach deployment and accelerated transformation. These phases involve resource realignment and cross skilling to optimize the capacity utilization, standardization of similar processes for multiple locations to allow optimization of resources and eliminating redundancies, automation/transformation of the processes to reduce the manual efforts using our Base))) methodology, value stream mapping to re-engineer the processes resulting in reduction in turnaround time and releasing bandwidth. We also applied Six Sigma methodology to reduce defects in the processes, right shoring to benefit from outsourcing to low cost geographies, IT transformation and application rationalization. This has resulted into sustained cost saving to the customer.

Our service offerings include:

customer interaction services, such as IT-enabled customer services, marketing services, technical support services and IT helpdesks;

finance and accounting services, such as accounts payable and accounts receivable processing;

process improvement services that provide benefits of scale for repetitive processes like claims processing, mortgage processing and document management; and

knowledge process outsourcing services which involve high-end knowledge work on intellectual property, equity and finance, analytics, market research and data management.

For BPO projects, we have a defined framework to manage the complete BPO process migration and transition. The process has been developed based on our experience over the past several years in migrating remote business processes to India. This defined framework is designed to ensure process integrity and minimize inherent migration risks. The framework includes a proprietary transition toolkit, which ensures that there is a documented methodology with formats, tools, guidelines and a repository of past experiences to aid the transition team during the transition phase.

In many large outsourcing deals, BPO services are an integral part of the total services outsourced. Integrating BPO services into our portfolio of service offerings has provided us with a strong competitive advantage over other IT services providers.

Table of Contents**Our Global Delivery Model**

In our IT service offerings, we assume primary project management responsibility for all stages of implementation of a project. Typically, a project team consists of a small number of IT professionals based at the client's location, who define the scope of the project, track changes to specifications and requirements during project implementation, assist in installing the software or system at the client's site and ensure its continued operation. A large proportion of the development work on a project is performed at one of our dedicated offshore development centers, or ODCs, located in India. Our project management techniques, risk management processes and quality control measures enable us to complete projects on time, seamlessly and qualitatively across multiple locations.

The Offshore Development Center. We are among the few IT services companies in India which pioneered the offshore development model for delivering high-quality services at a relatively low cost to our international clients. Our ODC is a virtual extension of the client's working environment with a dedicated facility and dedicated hardware and software infrastructure that replicates the client's facilities. This is further enhanced by a dedicated high-speed telecommunication link with the client's onsite facilities and a secure working environment. In all of our projects, we endeavor to increase the proportion of work performed at the ODCs in order to take advantage of the various benefits associated with this approach, including higher gross margins and increased process control. Due to the level of investment required by our clients in an ODC and the quality of services we provide, the ODC model has provided us a high percentage of repeat business and a stable revenue stream.

The Nearshore Development Center. Based on specific client needs, we have established dedicated development centers in close proximity to our clients' business locations, which we call nearshore development centers. These nearshore development centers have employees with specialized functional expertise and provide on-call support to our customers. We currently have nearshore development centers in various locations including Atlanta and Nashville in the USA, Monterrey in Mexico, Curitiba in Brazil, Reading in the U.K., Kiel in Germany, Shanghai and Chengdu in China, Cebu in the Philippines, Bucharest in Romania, Sydney, Adelaide and Melbourne in Australia and Yokohama in Japan. In addition to providing software development services, these centers, with their significant local talent, also provide a local customer interface.

Our Clients

We provide IT software solutions to clients from a broad array of industry sectors. Several of our clients purchase our services across several of our business divisions. We seek to expand the level of business with our existing clients by increasing the type and range of services we provide to them. The table below illustrates the size of our client project engagement size as measured by revenues.

	Number of clients in	
	Year	Year
	ended	ended
	March	
	31,	March 31,
	2009	2010
Per client revenue(\$)		
1-3 million	207	180
3-5 million	67	60
>5 million	153	166
Total > 1 million	427	406

The largest client of our IT Services segment accounted for 3% of the total revenues from such segment for the fiscal years ended March 31, 2009 and 2010, respectively. For the same periods, the five largest clients of our IT Services segment accounted for 11% of total IT Services revenues.

Sales and Marketing

Our headquarters are located in Bangalore, India. We sell and market our IT Services primarily through our direct sales force, across several locations worldwide, including in the United States, France, Germany, Holland,

Japan, Sweden and the United Kingdom. Our sales teams are organized in three ways:
by the vertical market segment of our client's business;

by the geographic region in which our client is located; and

by the specific practice specialization or skill set that our client requires.

We use an integrated team sales approach that allows our sales teams to pass a client over to an execution team once the sale is completed. Our sales personnel work together with the appropriate software professionals and technical managers in analyzing potential projects and selling our expertise to potential clients. Through our MEGA and GAMA account initiatives our dedicated key account management team focuses on growing identified customers to over U.S. \$100 million and U.S. \$50 million of annualized revenues, respectively. For our MEGA and GAMA customers, we have dedicated Client Engagement Managers who own responsibility to both sell a value proposition to the customer and then

Table of Contents

delivering the same. Our IT Services business also gets support from our corporate marketing team to assist in brand building and other corporate level marketing efforts. Our sales and marketing team in IT Services excluding Indian IT Services and Infocrossing has increased from 498 personnel as of March 31, 2009 to 511 personnel as of March 31, 2010. We intend to expand our global marketing efforts through increased presence in targeted geographical regions. In addition, we have a global programs team which is focused on identifying and winning large outsourcing engagements across verticals. Our Consulting team also works with clients to assist them in charting out best-in-class IT and functional architecture, processes and infrastructure requirements.

Competition

The market for IT services is highly competitive and rapidly changing. Our competitors in this market include consulting firms, big four accounting firms, global IT services companies, such as Accenture, IBM Global Services and India based IT services companies such as Cognizant, Infosys and Tata Consultancy Services.

These competitors are located internationally as well as in India. We expect that competition will further increase and will potentially include companies from other countries that have lower personnel costs than those currently in India. A significant part of our competitive advantage has historically been a wage cost advantage relative to companies in the United States and Europe. Because wage costs in India are presently increasing at a faster rate than those in the United States our ability to compete effectively will increasingly become dependent on our ability to provide high quality, on-time, complex deliverables that depend on increased expertise in certain technical areas. We also believe that our ability to compete will depend on a number of factors not within our control, including:

the ability of our competitors to attract, retain and motivate highly skilled IT services professionals;

the extent to which our international competitors expand their operations in India and benefit from the favorable wage differential;

the price at which our competitors offer their services; and

the extent to which our competitors can respond to a client's needs.

We believe we compete favorably with respect to each of these factors and believe our success has been driven by quality leadership, our ability to create client loyalty and our expertise in targeted select markets.

IT Products

Our IT Products segment provides a range of IT products encompassing computing, storage, networking, security, and software products. Under this segment, we sell IT products manufactured by us and third-party IT products. Our IT Products segment accounted for 13% and 14% of our total revenues for the year ended March 31, 2009 and 2010, respectively. Our IT Products segment accounted for 3% of our operating income for each of the year ended March 31, 2009 and 2010, respectively.

Our Strategy

We plan to grow in the IT Products market by focusing on:

Positioning – build enhanced solution capabilities to position ourselves as a Valued Added System Integrator;

Geo expansion – we are expanding our market address into newer geographies;

Vertical focus – higher customer engagement through industry focused solutions;

Product-line expansion

o new form factors and functionalities to address a broader spectrum of users branded under e.go

o high-end Itanium servers and modular storage

Alliances – realign existing and form new alliances, leverage alliance partnerships for joint GTM with Wipro.

Partner with emerging technology providers to improve market address and develop new streams of revenue;

Delivery and Operational Excellence- drive delivery and operational excellence through industry standard processes and global best practices for better customer satisfaction (CSAT) and cost optimization.

Table of Contents

Products

Our range of IT Product comprises the following:

Wipro Manufactured Products. Our manufactured range of products comprises desktops, notebooks, NetPower servers and super computers. To cater to a wider range of customers, under the personal computing category, we have launched a new series branded as e.go . We now offer form, factors and functionalities that cater to the entire spectrum of users from individuals to high-end corporate entities.

Enterprise Platform. Our products under this category comprise design and deployment services for RISC servers, Application servers, Databases, Unix OS and Server computing resource management software.

Networking Solutions. Our products under this category comprise design, deployment and audit of enterprise wide area network (WAN), wireless LAN and unified communication systems.

Software Products. Our products in this category, comprise enterprise application, data warehousing and business intelligence software from world's leading software product companies.

Data Storage. Our products under this category comprise network storage, secondary and near line storage, backup and storage fabrics.

Contact Centre Infrastructure. Our offerings include Switch Integration, Voice Response Solutions, Computer Telephony Interface (CTI), Customized Agent Desktop Application, Predictive Dialer, Customer Relationship Management, Multiple Host Integration, Voice Logger interface.

Enterprise Information Security. Security products include single signon, firewalls.

Emerging Technologies. Technology optimization in web and WAN acceleration, virtual computing in data centre, IP video solutions

Our Clients

The clients for our IT Products segment range from single users to large enterprises. We provide our offerings to enterprises in the Government, defence, IT and IT- enabled services, telecommunications, manufacturing, utilities, education and BFSI sectors. We have a diverse range of clients, none of whom account for more than 10% of our IT Products business segment revenues.

Sales and Marketing

We sell and market our manufactured products through our direct sales force, national distributor network and resellers. The direct and indirect teams are distributed geographically. We resell the enterprise products through our direct sales force.

Our direct sales teams are organized in three ways:

by customer segment Uber, Enterprise and Corporate;

by geography region in which our client is located; and

by verticals vertical the client may fall under eg; BFSI , Telecom. The vertical teams are aligned to the Uber and Enterprise accounts.

We use an integrated team sales approach that allows us to deliver a complete sales and delivery experience to the customer with a single point of accountability. Global Products gets support from our corporate marketing team to assist in brand building and other corporate level marketing efforts for various market segments.

Competition

The IT products market is a dynamic and highly competitive market. In the marketplace, we compete with both international and local providers. Our local competition comes from HCL, TCS, CMC and Redington. The international competitors are IBM, Esys, Ingram, Dell, HP, Lenovo, Acer, Sony, and Toshiba.

Table of Contents

We are witnessing higher pricing pressures due to:
commoditization of manufactured products business;

increasing number of players in the IT Products market; and

higher focus on Indian markets by all leading IT companies

Nonetheless, we are favorably positioned due to our quality leadership, expertise in targeted select markets and our ability to create client loyalty by delivering value to the customer.

Consumer Care and Lighting

Our Consumer Care and Lighting business segment focuses on niche profitable market segments in personal care in specific geographies in Asia and Africa, as well as office solutions in India. We successfully leverage our brands and distribution strengths to sustain a profitable presence in the personal care sector, including personal wash, fragrances, hair and skin care, male toiletries and household lighting products. Our office solutions include lighting products, modular switches, modular furniture and security solutions. Our Santoor brand is the third largest in India in the soap category, and Safi brand is the largest Halal toiletries brand of Malaysia. With the acquisition of Yardley, we have a stronger presence in the Middle East, and have made our first foray into the luxury segment of personal care. Our Consumer Care and Lighting segment accounted for 8% of our total revenue for each of the years ended March 31, 2009 and 2010, respectively. Our Consumer Care and Lighting segment accounted for 6% of our operating income for each of the year ended March 31, 2009 and 2010, respectively.

Our Consumer Care and Lighting business segment focuses on niche profitable market segments. We began with the hydrogenated oil business in 1945, and have continued to expand our business, currently offering a mix of consumer products including hydrogenated cooking oil, soaps and toiletries, personal care products, wellness products, light bulbs and fluorescent tubes, and lighting accessories.

Products

Personal care products. Our range of personal care products include deodorants and fragrances, hair care, bath and shower, skin care and other personal care products. We have about 48 brands including brands like Yardley, Enchanteur, Safi, Eversoft and Romano.

Soaps and toiletries. Our product lines include soaps and toiletries, as well as baby products, using ethnic ingredients. Our umbrella brands include Santoor, Chandrika, Wipro Active, Wipro Baby Soft, a line of infant and child care products that includes soap, talcum powder, oil, diapers and feeding bottles and the Wipro Sanjeevani line of wellness products.

Lighting. Our product line includes modular switches, incandescent light bulbs, compact fluorescent lamps and luminaries. We operate both in commercial and retail markets. We have also developed commercial lighting solutions for pharmaceutical production centers, retail stores, software development centers and other industries. We have also rolled out security solutions for household and institutional consumers.

Office Modular Furniture. Our product line of modular furniture is for office use such as workstations, storage and chairs. We operate both in commercial and retail markets. We sell our products to software development centre, banks and financial institutions, insurance companies and manufacturing companies who are in the process of setting up new facilities or expanding their current workspaces.

Sales and Marketing

We market and sell our personal care products through a host of distribution channels which include modern retail outlets, hypermarts, supermarts, traditional retailers, van operators and wholesalers. We sell and market our consumer care products primarily through our distribution network in India, which has access to 4,700 distributors and 1.6 million retail outlets throughout the country. We sell significant portion of our lighting products to major industrial and commercial customers through our direct sales force, from 34 sales offices located throughout India.

In our other geographies, led by Malaysia, Vietnam, Indonesia and Greater China, we have direct access to over 180,000 retail outlets, with a significant presence in the fast growing modern trade.

In India, we leverage our brand recognition by successfully incorporating the Wipro identity with our consumer brands. We intend to expand our marketing efforts with the aid of advertising campaigns and promotional efforts

targeted at specific regions of India. We intend to introduce acquired personal care product brands to establish our presence in the markets for personal care products in India.

Table of Contents**Competition**

In the personnel care products market, we face competition primarily from multinational companies like Unilever, Procter and Gamble, Johnson & Johnson and L'oreal, and in office solutions and lighting products market from multinational companies like Philips and General Electric. Certain competitors have recently focused on sales strategies designed to increase sales volumes through lower prices. Sustained price pressures by competitors may require us to respond with similar or different pricing strategies. We cannot be reasonably certain that we will be able to compete successfully against such competitors or that continued competition may not adversely affect our gross and operating profits.

Raw Materials and Manufacturing

The primary raw materials for our soap and personal care products are agricultural commodities, such as vegetable oils. We purchase these raw materials domestically and internationally through various supplier contracts. Prices of vegetable oils and other agricultural commodities tend to fluctuate due to seasonal, climatic and economic factors.

Our lighting products are manufactured from glass and industrialized parts. We purchase these parts from various domestic and foreign distributors and manufacturers, pursuant to a combination of requirement and other supply contracts.

Our furniture products are manufactured from Wood in form of particle or medium density fiber boards, steel, aluminum, fabric, plastics and glass. We purchase these items from various domestic and foreign distributors and manufacturers, pursuant to a combination of requirement and other supply contracts.

We have 13 manufacturing locations with 8 factories in India, 2 in Malaysia and 1 each in Vietnam, Indonesia and China, and deal with over 60 third party manufacturers to source our extensive product range.

Others

Our Others segment includes our infrastructure engineering business. We are the world's largest third-party manufacturer of hydraulic cylinders. The Others segment is centered on our mobile construction equipment business and our material handling business. We manufacture and sell cylinders and truck hydraulics, and we also distribute hydraulic steering equipment and pumps, motors and valves for international companies. We have a global footprint in terms of manufacturing facilities in Europe and India and sell to customers across the globe. Our main competitors include, UT Limited (India), Dongyong, Sundaram Hydraulics and Dantal and overseas suppliers such as the Kayaba, Precision Hydraulics Company, Hyva (in tipping business).

While the current financial year has seen a decline in global sales volumes, we believe that the fundamentals of the infrastructure engineering business remain intact. Our strategy is to increase our global market share through: strengthening relationship with global original equipment manufacturers (OEMs) who are likely to seek stable suppliers like Wipro in the current economic environment; and

diversification into newer segments organically and/or inorganically.

We are also in the water solutions business, which addresses the entire spectrum of treatment solutions, systems and plants for water and waste water for industries.

We also provide consulting on comprehensive renewable energy and efficiency solutions.

Our Others segment, including reconciling items accounted for 4% and 3% of our total revenues for the year ended March 31, 2009 and 2010, respectively. Our Others segment, including reconciling items accounted for (2)% and (1)% of our operating income for each of the year ended March 31, 2009 and 2010, respectively.

Raw Materials and Manufacturing

The primary raw material for our hydraulic cylinder products are steel tubes, rods, casting and cylinder bottom. We purchase these raw materials domestically and internationally through various supplier contracts. Prices of most raw materials vary due to various economic factors.

We have 8 manufacturing facilities across Asia and Europe with 3 facilities in India, 4 in Sweden and 1 in Finland. We also have a sales office in China.

Table of Contents**Investment in Affiliates**

In 1990, we formed a joint venture with General Electric called Wipro GE Medical Systems Private Limited to learn new technologies and management processes from world class companies like General Electric and to enter new markets. General Electric currently holds 51% of the equity in the joint venture and we hold 49%. The joint venture partners have equal representation on the board of directors and the chairman of the joint venture is the chairman of Wipro Limited. The joint venture provides customers in the South Asian markets after-sales services for all GE Medical Systems products sold to them. Products offered in this market consist of GE Medical Systems products manufactured world wide and portable ultrasound equipment manufactured in India by this joint venture for the global markets. This venture also leverages our strength in software development to develop embedded software for medical equipment designed and developed by General Electric for their global product portfolio. The main competitors of Wipro GE Medical Systems Private Limited include Siemens and Philips.

Our Competitive Strengths

We believe that the following are our principal competitive strengths:

Comprehensive range of IT services

We provide a comprehensive and integrated suite of IT solutions, ranging from consulting to application development and maintenance and take end-to-end responsibility for project execution and delivery. We have more than two decades of experience in product engineering, software development, re-engineering and maintenance for our corporate customers and provide managed IT support services at the client's site through our offshore development centers in India and several near shore development centers located in countries closer to our clients' offices. We believe that this integrated approach positions us to take advantage of key growth areas in enterprise solutions, including IT services data warehousing, implementation of enterprise package application software such as enterprise resource planning, or ERP, supply chain management or SCM and customer relationship management or CRM. In many large outsourcing deals, BPO services are an integral part of the total services outsourced. Integrating BPO services into our portfolio of service offerings has provided us with a strong competitive advantage over other IT services providers.

World-class quality as measured by SEI-CMM and Six Sigma initiatives

One of the crucial factors in our success has been our commitment to pursue the highest quality standards in all aspects of our business. We were assessed at SEI-CMM Level 5, the highest level of quality certification, in January 1999, making us the first IT services provider in the world to achieve this standard. SEI-CMM is widely accepted in the software industry as a standard to measure the maturity and effectiveness of software processes. Our SEI-CMM Level 5 rating is supported by our Six Sigma initiative, which is an internationally recognized program focusing on defect reduction and cycle time reduction. Our Six Sigma program was launched in 1998. Six Sigma represents a quality standard of less than 3.4 defects per million opportunities in which a defect may arise. In our continuous quest to do more with less, we pioneered the application of LEAN thinking in software services and support transactions. We believe that LEAN is a proven manufacturing philosophy that has been sustained over several decades. The focus is on streamlining activities solely from the customer's viewpoint, eliminating waste, and a collaborative way of working and have found that this enhances productivity. We believe that our approach of continuous enrichment through effective experimentation has proven fruitful.

Service offerings in emerging growth areas

We focus on identifying emerging growth areas and developing service offerings in these areas. Our strategy to enable the 21st century global enterprise centers around delivering systems integration and transformation led solutions. We believe that technology innovation and service delivery innovation form key elements of these solutions.

We are heavily focused in investing in technologies that enable the 21st century enterprise. The technology areas include cloud, collaboration technologies, green technologies, mobility, social computing, information management and security solutions. In addition we continue to innovate our delivery model towards building differentiation capability in our offerings. The innovation focus in delivery is centered around 4 areas i.e. non-linearity, productized solutions, development accelerators & systems integration.

Non linearity: in Service delivery is achieved through creating IP, differentiated services and platforms, automation through accelerators and flex delivery for driving standardized outcomes.

Productized Solutions: These include Business solutions (Transformation, Process): Telco in a box, Retail ecommerce, Remote diagnostics, Carbon management as well as Technology solutions that comprise (Platform, Product Engg): wSaaS, base, Digital TV solutions, Bluetooth IP.

Table of Contents

Systems Integration: These include Domain solutions implementation (Core banking BFSI, OSS/BSS-Telecom, HIS-Healthcare, PoS-Retail, MES Manufacturing, Smart metering E&U), Major ERP upgrades, Infrastructure systems integration, Enterprise management system & Private application cloud.

Development Accelerators: These include process accelerators and frameworks for automating and hence speeding up delivery.

Broad range of research and development services

Due to our strengths in research and development services we are well positioned to benefit from the recovery in global research and development spending. We are one of a few major IT services companies in the world capable of providing an entire range of research and development services from concept to product realization. According to NASSCOM's Strategic Review Report 2010, Indian Research and Development and Engineering services comprising embedded systems/solution as well as other product engineering development services is estimated to reach U.S. \$7.9 billion in revenues in 2010. The recurring nature of revenues from research and development services helps in mitigating the cyclical nature of IT services. We provide IT services for designing, enhancing and maintaining platform technologies including servers and operating systems, communication subsystems, local area and wide area network protocols, optical networking systems, Internet protocol based switches, routers and embedded software, including software used in mobile phones, home or office appliances, industrial automation and automobiles.

Global delivery model

One of our strengths is our global delivery model, which includes our offshore development centers, or ODCs, and our nearshore development centers. We were among the first India-based IT services companies to implement the offshore development model as a method for delivering high-quality services at a relatively low cost to international clients. Our global delivery model has many features that are attractive to our clients, including:

- a time difference between the client site and the ODC which allows a 24-hour work schedule for specific projects;

- the ability to quickly increase the scale of development operations;

- increased access to our large pool of highly skilled IT professionals located in India; and

- physical and operational separation from all other client projects, providing enhanced security for a client's intellectual property.

Established track record with premier international customer base

As of March 31, 2010, our IT Services segment had 845 active clients. We have approximately 166 customers from whom we derived annualized revenues in excess of \$5 million for the fiscal year ended March 31, 2010. We believe that having an established base of high quality, high technology clients provides us with the following competitive advantages:

- the type of clients we target are likely to maintain or increase their IT outsourcing budgets;

- our ODCs support critical IT applications of our large clients, so the clients are therefore likely to provide a high level of repeat business; and

- our IT professionals are consistently exposed to the latest technologies that we are then able to leverage to procure business from other clients.

Ability to access, attract and retain skilled IT professionals

We have continued to develop innovative methods for accessing and attracting skilled IT professionals. We partnered with a leading Indian university to establish a program for on the job training and a Masters degree in software engineering. We believe that our ability to retain highly skilled personnel is enhanced by our leadership position, opportunities to work with leading edge technologies and focus on training and compensation. In February 2007, we were awarded the Dale Carnegie Global Leadership Award in recognition of our emphasis on the development of human resources, innovation and organizational creativity. As of March 31, 2010, in our IT Services

business we had over 108,000 professionals. We expect to grow these numbers in the foreseeable future. One of the keys to attracting and retaining qualified personnel is our variable and performance linked compensation programs. We have had an employee stock purchase program since 1984 and an employee stock option plan and a productivity bonus plan since October 1999.

Table of Contents***Robust systems and processes to support growth in business***

We have proactively invested in systems, processes and infrastructure to support growth in our business. We have developed systems and processes to ensure that we have adequate infrastructure, robust recruitment systems and processes to maintain our culture of ethical behavior, openness and transparency. We calibrate our recruitment strategies based on the demand outlook. This has resulted in industry leading resource utilization levels. Our employee base in our IT Services segment grew from approximately 9,900 employees as of March 31, 2001 to approximately 108,000 employees as of March 31, 2010. During the same period, our revenues from our IT Services segment have grown from Rs. 17,816 million to Rs. 202,490 million.

Broad distribution network and strong sales force in India

We have a large and growing distribution network for our domestic businesses. For our Indian IT Services and Products business segment, our direct sales force targets large corporate clients and over 175 channel partners throughout India, and focuses on medium and small enterprises. For our Consumer Care and Lighting products segment, we have access to more than 1.6 million retail outlets in India. This distribution reach provides us with a significant competitive advantage and allows us to grow our business with minimal increases in personnel.

Strong brand recognition in the Indian market

We believe that our brands are some of the most well recognized brands in the Indian market. We have been operating in the Indian market for over 60 years and believe that customers equate our brand with high quality standards and a commitment to customer service. We enhance the value of our brands through aggressive and selective advertising and promotions.

Markets and Sales Revenue

Our revenues for the last two fiscal years by geographic areas are as follows:

	(In millions)	
	Year ended March 31,	
	2009	2010
India	Rs. 54,945	Rs. 62,179
United States	115,022	119,537
Europe	57,109	56,780
Rest of the world	28,262	32,745
	Rs. 255,338	Rs. 271,241

Intellectual Property

Our intellectual property rights are important to our business. We rely on a combination of patent, copyright, trademark and design laws, trade secrets, confidentiality procedures and contractual provisions to protect our intellectual property. We require employees, independent contractors and, whenever possible, vendors to enter into confidentiality agreements upon the commencement of their relationships with us. These confidentiality agreements generally provide that any confidential or proprietary information being developed by us or on our behalf be kept confidential. These agreements also provide that any confidential or proprietary information disclosed to third parties in the course of our business be kept confidential by such third parties. However, our clients usually own the intellectual property in the software we develop for them.

Our efforts to protect our intellectual property may not be adequate. Our competitors may independently develop similar technology or duplicate our products and/or services. Unauthorized parties may infringe upon or misappropriate our products, services or proprietary information. In addition, India has now complied with all World Trade Organization, or WTO, requirements, which means, that India meets the international mandatory and statutory requirements regarding the protection of intellectual property rights.

We could be subject to intellectual property infringement claims as the number of our competitors grows and our product or service offerings overlap with competitive offerings. In addition, we may become subject to such claims since we may not always be able to verify the intellectual property rights of third parties from which we license

a variety of technologies. Defending against these claims, even if not meritorious, could be expensive and divert our attention from operating our company. If we become liable to third parties for infringing their intellectual property rights, we could be required to pay substantial damage awards and be forced to develop non-infringing technology, obtain a license or cease

Table of Contents

selling the applications that contain the infringing technology. The loss of some of our existing licenses could delay the introduction of software enhancements, interactive tools and other new products and services until equivalent technology could be licensed or developed. We may be unable to develop non-infringing technology or obtain a license on commercially reasonable terms, if at all.

As of March 31, 2010, we hold more than 1,100 registered trademarks, including registered community trademarks in India, Japan, the U.S., Malaysia and the British Virgin Islands. We also have 18 registered copy rights and 11 registered Designs. We have about 12 applications and 5 applications pending for registration of Designs and Copyrights respectively.

We have 115 registrations completed with respect to WIPRO and the Flower logo trade marks in 80 territories across the world (including Madrid protocol countries) and more than 200 trademark applications pending registration. These overseas registrations also include our applications in the EU (via the Community Trade Mark). We have also more than 200 trademark applications pending in India, Iran, Vietnam, Iraq, Malaysia, Singapore, Nepal, Sri Lanka, etc. We have been granted about 67 registered patents (including patents granted to our subsidiaries) and have about 72 pending patent applications (including unpublished applications). We cannot guarantee that we will obtain registration for trademarks including service marks, patent, design and copyright registration for any of our pending applications.

Effect of Government Regulation on our Business

Regulation of our business by the Indian Government affects our business in several ways. We benefit from certain tax incentives promulgated by the Government of India, including a ten-year tax holiday from Indian corporate income taxes for the operation of most of our Indian facilities and a partial taxable income deduction for profits derived from exported IT services under Indian tax laws and tax holiday for operations in notified economic zones. The tax holiday for our facilities located in STPs is due to expire in fiscal 2011. As a result of these incentives, our operations have been subject to relatively insignificant Indian tax liabilities. We have also benefited from the liberalization and deregulation of the Indian economy by the successive Indian Governments since 1991, including the current Indian Government. Further, there are restrictive parts of the Indian law that affect our business, including the fact that we are generally required to obtain approval under the Factories Act and the Shops and Establishment Act, from the Reserve Bank of India and/or the Ministry of Finance of the Government of India to acquire companies organized outside India, and we are generally required, subject to some exceptions, to obtain approval from relevant Government authorities in India in order to raise capital outside India. The conversion of our equity shares into ADSs is governed by guidelines issued by the Reserve Bank of India.

Finally, we are subject to several legislative provisions relating to the Prevention of Food Adulteration, Weights and Measures, Drugs and Cosmetics, Storage of Explosives, Environmental Protection, Pollution Control, Essential Commodities and operation of manufacturing facilities. Non-compliance with these provisions may lead to civil and criminal liability. We are and generally have been in compliance with these provisions.

Please see the section titled **Risk Factors** in Item 3, Key Information, as well as the section titled **Additional Information** in Item 10, for more information on the effects of Governmental regulation of our business.

Organizational Structure

Our subsidiaries as of September 30, 2010 are provided in the table below.

Direct Subsidiaries	Step Subsidiaries	Country of Incorporation
Wipro Inc.		U.S.
	Wipro Gallagher Solutions Inc	U.S.
	Enthink Inc.	U.S.
	Infocrossing Inc.	U.S.
	Infocrossing, LLC,	U.S.
cMango Pte Limited		Singapore
Wipro Japan KK		Japan

Wipro Shanghai Limited		China	
Wipro Trademarks Holding Limited		India	
	Cygnus Negri Investments Private Limited	India	
Wipro Travel Services Limited		India	
Wipro Consumer Care Limited		India	
Wipro Holdings (Mauritius) Limited		Mauritius	
	Wipro Holdings UK Limited	U.K.	
		Wipro Technologies UK Limited	U.K.

Table of Contents

Direct Subsidiaries	Step Subsidiaries	Country of Incorporation
Wipro Cyprus Private Limited	Wipro Holding Austria GmbH ^(A)	Austria
	3D Networks (UK) Limited	U.K.
	Wipro Technologies S.A DE C.V	Cyprus
	Wipro BPO Philippines LTD. Inc	Mexico
	Wipro Holdings Hungary Korlátolt Felelősségű Társaság	Philippines
	Wipro Technologies Argentina SA	Hungary
	Wipro Information Technology Egypt SAE	Argentina
	Wipro Arabia Limited*	Egypt
	Wipro Poland Sp Zoo	Saudi Arabia
	Wipro Information Technology Netherlands BV (formerly RetailBox BV)	Poland
	Wipro Portugal S.A. ^(A) (Formerly Enabler Informatica SA)	Netherlands
	Wipro Technologies Oy	Portugal
	Wipro Infrastructure Engineering AB	Russia
	Wipro Technologies SRL	Finland
	Wipro Singapore Pte Limited	Sweden
		Finland
		Turkey
		Romania
		Singapore
		Indonesia
		Singapore
	Singapore	
	Thailand	

	Wipro Bahrain Limited WLL	Bahrain
	Wipro Yardley FZE	Dubai
Wipro Australia Pty Limited		Australia
Wipro Networks Pte Limited		Singapore
(formerly 3D Networks Pte Limited)		
Planet PSG Pte Limited		Singapore
	Planet PSG SDN	Malaysia
	BHD	
Wipro Chengdu Limited		China
Wipro Chandrika Limited		India
WMNETSERV Limited		Cyprus
	WMNETSERV	U.K.
	(U.K.) Limited.	
	WMNETSERV INC	U.S.
Wipro Technology Services Limited		India
Wipro Airport IT Services Limited		India
Wipro Yardley Consumer Care		India
Private Limited		
Wipro Infrastructure Engineering		China
Machinery (Changzhou) Co., Ltd		

All the above direct subsidiaries are 100% held by the Company except that we hold 66.67% of the equity securities of Wipro Arabia Limited, 90% of the equity securities of Wipro Chandrika Limited and 76% of the equity securities of Wipro Airport IT Services Limited.

As of March 31, 2010, we also held 49% of the equity securities of Wipro GE Medical Systems Private Limited that is accounted for as an equity method investment.

- (A) Step Subsidiary details of Wipro Unza Holdings Limited, Wipro Holding Austria GmbH and Wipro Portugal S.A, are as follows :

Table of Contents

Step Subsidiaries	Step Subsidiaries	Country of Incorporation
Wipro Unza Company Pte Limited		Singapore
Wipro Unza Indochina Pte Limited		Singapore
	Wipro Unza Vietnam Co., Limited	Vietnam
Wipro Unza Cathay Limited		Hong Kong
Wipro Unza (China) Limited		Hong Kong
	Wipro Unza (Guangdong) Consumer Products Limited	China
PT Unza Vitalis		Indonesia
Wipro Unza (Thailand) Limited		Thailand
Unza Overseas Limited		British virgin islands
Unzafrica Limited		Nigeria
Wipro Unza Middle East Limited		British virgin islands
Unza International Limited		British virgin islands
Unza Nusantara Sdn Bhd		Malaysia
	Unza Holdings Sdn Bhd	Malaysia
	Unza (Malaysia) Sdn Bhd	Malaysia
	UAA (M) Sdn Bhd	Malaysia
	Manufacturing Services Sdn Bhd	Malaysia
	Shubido Pacific Sdn Bhd ^(a)	Malaysia
	Gervas Corporation Sdn Bhd	Malaysia
	Gervas (B) Sdn Bhd	Malaysia
	Formapac Sdn Bhd	Malaysia
Wipro Holding Austria, GmbH		Austria
	New Logic Technologies GmbH	Austria
	New Logic Technologies SARL	France
Wipro Portugal S.A.		France
	SAS Wipro France (formerly Enabler France SAS)	France
	Wipro Retail UK Limited (formerly Enabler UK Limited)	U.K.
	Wipro do Brasil Technologia Ltda (formerly Enabler Brazil Ltda)	Brazil

Wipro Technologies Gmbh
(formerly Enabler & Retail
Consult GmbH)

Germany

a) All the above subsidiaries are 100% held by the Company except Shubido Pacific Sdn Bhd in which the Company holds 62.55% of the equity securities.

The List of controlled trusts are:

Name of Entity	Nature	Country of Incorporation
Wipro Equity Reward Trust	Trust	India
Wipro Inc Benefit Trust	Trust	USA

Property, Plant and Equipment

Our headquarters and corporate offices are located at Doddakannelli, Sarjapur Road, Bangalore, India. The offices are approximately 300,000 square feet. We have approximately 1.3 million square feet of land adjoining our corporate offices for future expansion plans.

In addition we have approximately 40 million square feet of land and approximately 9.6 million square feet of owned software development facilities in India and approximately 1 million square feet of leased software development premises in India. We have approximately 1,100,000 square feet of leased software development facilities in 11 countries outside India. We have approximately 313,000 square feet of leased data center facilities at various locations in United States of America.

We have one sales and marketing office located in each of the following countries: Canada, France, Germany, Japan, Sweden, Italy, Switzerland, Finland, the Netherlands, the United Kingdom and China. In addition, we have eleven sales and marketing offices in the United States.

Table of Contents

We operate fifteen manufacturing sites, aggregating approximately 1.4 million square feet and approximately 4.2 million square feet of land. We own eight of these facilities, located in Amalner, Tumkur, Bangalore, Mysore, Hindupur, Mumbai, Chennai and Pondicherry, India. We have leased on a long-term basis four facilities located in Waluj, Haridwar, Kotdwar and Baddi, India. We own approximately 946,090 square feet of production and warehousing facilities in Indonesia, Vietnam and Malaysia. We also own approximately 344,000 square feet of production facilities in Sweden.

Our software development and manufacturing facilities are equipped with a world class technology infrastructure that includes networked workstations, servers, data communication links, captive power generators and other plants and machinery.

We believe that our facilities are optimally utilized and that appropriate expansion plans are being planned and undertaken to meet our future growth.

Material Plans to Construct, Expand and Improve Facilities

As of March 31, 2010, we have capital commitments of Rs. 2,782 million (\$62 million) related to the construction or expansion of our software development facilities. We currently intend to finance our additional expansion plans entirely through our cash and cash equivalents and investments in liquid and short term mutual funds as of March 31, 2010.

Legal Proceedings

In the ordinary course of business, we may from time to time become involved in certain legal proceedings. As of the date of this Annual Report on Form 20-F, we are not party to any pending legal proceedings whose resolution can have a material impact on our financial position. Please see the description of our tax proceedings before the Deputy Commissioner of Income, Tax, Bangalore, India, under the section titled Income Taxes under Item 5 of this Annual Report.

Item 4A. Unresolved Staff Comments

None.

Item 5. Operating and Financial Review and Prospects

(in millions, except share data and where otherwise stated)

Management's Discussion and Analysis of Financial Condition and Results of Operations

Introduction

As discussed elsewhere in this report, 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 firm's future results and financial condition, please see the sections entitled Risk Factors.

The forward-looking statements contained herein are identified by the use of terms and phrases such as anticipate, believe, could, estimate, expect, intend, may, plan, objectives, outlook, probably, project, will, and other similar terms and phrases. Such forward-looking statements include, but are not limited to, all of the statements set forth above under the heading Forward-Looking Statements May Prove Inaccurate.

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 section entitled Risk Factors and this section. 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.

Table of Contents**Overview**

We are a leading global information technology, or IT, services company, headquartered in Bangalore, India. We provide a comprehensive range of IT services, software solutions and research and development services in the areas of hardware and software design to leading companies worldwide. We use our development centers located in India and around the world, quality processes and global resource pool to provide cost effective IT solutions and deliver time-to-market and time-to-development advantages to our clients. We also provide business process outsourcing, or BPO, services.

Our IT Products segment is a leader in the Indian IT market and focuses primarily on meeting requirements for IT products of companies in India and Middle East region.

We also have a notable presence in the markets for consumer products and lighting and infrastructure engineering.

Recent Developments*Audit committee investigation*

As we disclosed in our Form 6-K dated March 1, 2010, we discovered acts of embezzlement by one of our junior level employees during the period from November 2006 to December 2009. In response to the discovery of such acts of embezzlement, our Audit Committee conducted an investigation through an internal investigation team to determine, among other things, the materiality of the amounts embezzled, the design and implementation of internal control processes to detect and prevent similar misappropriations in the future and certain other issues including the appropriateness of certain accounting entries. Based on our review of the facts discovered during the investigation, we believe that the amounts embezzled were not material. We have since recovered substantially all of the embezzled amounts.

As a result of the investigation of the embezzlement, our Audit Committee also commenced an external investigation, and engaged independent legal counsel and the forensic accountants they engaged, to evaluate certain issues that were discovered during the internal investigation, including the appropriateness of certain accounting entries pertaining to our exchange rate fluctuation and outstanding liability accounts. This investigation has since been concluded and the report of the independent legal counsel engaged to conduct the investigation was submitted to our Audit Committee on November 10, 2010. Our Audit Committee discussed and agreed with the findings and conclusions of this report.

Findings and conclusions

Based on its investigation, the Audit Committee concluded there were certain accounting entries that were either erroneous, unsupported by documentation, or both, primarily in two accounts. However, our Audit Committee concluded there was insufficient evidence to support a conclusion that any member of current management engaged in intentional wrongful conduct. These accounting entries have been corrected as of March 31, 2010.

Further, based on our review of the findings and conclusions made by the independent legal counsel and the forensic accountants they engaged, we believe that the impact of the misstatements identified during the investigations together with other uncorrected audit adjustments are not material, individually or in the aggregate, (based on assessments of both quantitative and qualitative factors) to our annual consolidated financial statements prepared under IFRS for the years ended March 31, 2010 and March 31, 2009 as reported in this Form 20-F. If we were to make these corrections to the consolidated financial statements in the respective annual periods, the profit before tax and profit after tax for the year ended March 31, 2010 reported in this Form-20F would have been higher by 1.0% and 2.1%, respectively. Similarly, the profit before tax and profit after tax for the year ended March 31, 2009 would have been higher by 1.9% and 1.5%, respectively. The impact on the operating income of our IT Services segment would have been 1.7% and 3.1% for the years ended March 31, 2010 and March 31, 2009, respectively. The impact has been computed based on the roll-over method prescribed under SAB 108.

Similarly, if we were to make these corrections to our financial statements prepared under U.S. GAAP for the fiscal year ended March 31, 2009, the reported profit before tax, profit after tax and operating income of our IT services segment would have been higher by 2.5%, 2.3% and 3.4%, respectively. We believe these misstatements are not material, individually or in the aggregate, (based on assessments of both quantitative and qualitative factors) to our annual consolidated financial statements prepared under U.S. GAAP for the year ended March 31, 2009. The impact

has been computed based on the roll-over method prescribed under SAB 108.

We have also evaluated the impact of the above matters and the financial statement misstatements with respect to our condensed consolidated quarterly financial statements prepared under IFRS for all the quarterly periods during the years ended March 31, 2010 and March 31, 2009, as reported in our Form 6-Ks.

The impact of the financial statement misstatements identified during the investigations, together with other uncorrected audit adjustments resulted in an overstatement of the reported profit before tax by 2.2% in one quarterly period and understatement of the reported profit before tax ranging from 1.5% to 2.4% in the other quarterly periods during the fiscal year ended March 31, 2010. Additionally, the impact of the financial statement misstatements identified during the investigations, together with other uncorrected audit adjustments, resulted in an overstatement of the reported profit after tax by 1.8% in one quarterly period and understatement of reported profit after tax ranging from 1.1% to 3.1% in the other quarterly periods during the fiscal year ended March 31, 2010. The impact of the misstatements has been computed based on the roll-over method prescribed under SAB 108.

Similarly, the impact of the financial statement misstatements together with other uncorrected audit adjustments resulted in an over statement of the reported profit before tax by 1.8% in one quarterly period and understatement of the reported profit before tax ranging from 0.1% to 5.8% in the other quarterly periods during the fiscal year ended March 31, 2009. Additionally, the impact of the financial statements misstatement together with uncorrected audit adjustments resulted in an overstatement of the reported profit after tax ranging from 0.5% to 1.7% and understatement of the reported profit after tax ranging from 3.1% to 5.4% in the quarterly periods during fiscal year ended March 31, 2009. The impact of the misstatements has been computed based on the roll-over method prescribed under SAB 108.

The impact on our reported operating income of our IT Services segment resulted in an overstatement of 1.3% in one quarterly period and understatement ranging from 1.6% to 4.0% in the other quarterly periods during the fiscal year ended March 31, 2010. Similarly, the impact on our reported operating income of our IT Services segment resulted in an overstatement of 0.5% in one quarterly period and understatement ranging from 1.0% to 9.4% in the other quarterly periods during the fiscal year ended March 31, 2009. We have determined that these misstatements are not material based on assessments of quantitative and qualitative factors. We have therefore not made any corrections or adjustments to these condensed consolidated quarterly IFRS financial statements. The impact of the misstatements has been computed based on the roll-over method prescribed under SAB 108.

The impact of the resulting financial statement misstatements identified during the investigations, together with other uncorrected audit adjustments, resulted in an overstatement of the reported U.S. GAAP profit before tax by 4.9% in one quarterly period and understatement of the reported U.S. GAAP profit before tax ranging from 3.4% to 6.0% in the other quarterly periods during the fiscal year ended March 31, 2009. Additionally, the impact of the resulting financial statement misstatements identified during the investigations, together with other uncorrected audit adjustments, resulted in an overstatement of the reported U.S. GAAP profit after tax by 5.3% in one quarterly period and understatement of the reported U.S. GAAP reported profit after tax ranging from 3.6% to 6.2% in the other quarterly periods during the fiscal year ended March 31, 2009. The impact on our reported U.S. GAAP operating income of our IT Services segment resulted in an overstatement of 4.1% in one quarterly period and understatement ranging from 4.7% to 7.7% in the other quarterly periods during the fiscal year ended March 31, 2009. We have determined that these misstatements are not material based on assessments of quantitative and qualitative factors. We have therefore not made any corrections or adjustments to these condensed consolidated quarterly U.S. GAAP financial statements. The impact of the misstatements has been computed based on the roll-over method prescribed under SAB 108.

We and our independent registered public accounting firm also identified the lack of internal controls that gave rise to the embezzlement and financial statement misstatements as material weaknesses in internal control over financial reporting. We have taken steps to remediate these material weaknesses as of March 31, 2010. See also Item 15

Controls and Procedures.

Results of Operations

Our revenue and profit for the years ended March 31, 2009 and 2010 are provided below.

Wipro Limited and subsidiaries

Year on

	Years ended March 31,		Year change
	2009	2010	
	(in millions except earnings per share data)		
Revenue	Rs. 255,338	Rs. 271,241	6.23%
Cost of revenue	(180,215)	(186,299)	3.38%
Gross profit	75,123	84,942	13.07%
Selling and marketing expenses	(17,313)	(18,608)	7.48%
General and administrative expenses	(14,510)	(14,823)	2.16%
Operating income	43,300	51,511	18.96%
Profit attributable to equity holders	38,761	45,931	18.50% ⁽¹⁾
As a Percentage of Revenue:			
Selling and marketing expenses	6.78%	6.86%	(8) bps
General and administrative expenses	5.68%	5.46%	22 bps
Gross margins	29.42%	31.32%	190 bps
Operating Margin	16.96%	18.99%	203 bps
Earnings per share			
Basic	15.99	18.91	
Diluted	15.90	18.75	

(1) Our adjusted non-GAAP profit for the year ended March 31, 2010 is Rs. 45,862, an increase of 17.83% over the year ended March 31, 2009. See discussion below.

Our revenue and operating income by business segment expressed in terms of percentages are provided below for the years ended March 31, 2009 and 2010, respectively:

Table of Contents

	Year ended March 31,	
	2009	2010
	(In Percentage)	
Revenue:		
IT Services and Products		
IT Services	75	75
IT Products	13	14
Total	88	89
Consumer Care and Lighting	8	8
Others, including reconciling items	4	3
	100	100
Operating Income:		
IT Services and Products		
IT Services	93	92
IT Products	3	3
Total	96	95
Consumer Care and Lighting	6	6
Others, including reconciling items	(2)	(1)
	100	100

This Annual Report on Form 20-F contains, and future filings with the SEC may contain, non-GAAP financial measures within the meaning of Regulation G and Item 10(e) of Regulation S-K. Such non-GAAP financial measures are measures of our historical or future performance, financial position or cash flows that are adjusted to exclude or include amounts that are excluded or included, as the case may be, from the most directly comparable financial measure calculated and presented in accordance with IFRS.

The following table provides our adjusted profit for the year, which is a non-GAAP financial measure that excludes the impact of accelerated amortization in respect of stock options that vest in a graded manner. This non-GAAP financial measure is not based on any comprehensive set of accounting rules or principles and should not be considered a substitute for, or superior to, the most directly comparable financial measure calculated in accordance with IFRS. In addition to this non-GAAP financial measure, readers should carefully review and evaluate our financial statements prepared in accordance with IFRS as well as the reconciliation of this non-GAAP financial measure with the most directly comparable IFRS financial measure.

A reconciliation of adjusted non-GAAP profit, which excludes the impact of accelerated amortization in respect of stock options that vest in a graded manner, with profit as calculated and presented in accordance with IFRS, is as follows:

	Year ended March 31,	
	2009	2010
Profit attributable to equity holders for the year as per IFRS	Rs. 38,761	Rs. 45,931
Adjustments:		
Accelerated amortization of stock options that vest in a graded manner	161	(69)
Adjusted non-GAAP profit	Rs. 38,922	Rs. 45,862

The Company believes that the presentation of this non-GAAP adjusted profit, when shown in conjunction with the corresponding IFRS measure, provides useful information to investors and management regarding financial and business trends relating to the Company's profit for the period. The Company considers a stock option award with a

graded vesting schedule to be a single award and not multiple stock option awards. Further, the Company considers the services of the employee in each year, covered by the stock option award to be equally valuable and accordingly believes that straight line amortization reflects the economic substance of the stock awards. However, under IFRS, the Company records the related stock compensation expenses on an accelerated basis. Therefore, we believe that making available an adjusted profit number that excludes the impact of accelerated amortization from profit provides useful supplemental information to both management and investors about our financial and business trends.

For our internal budgeting process, our management also uses financial statements that do not include the impact of accelerated amortization relating to stock options that vest in a graded manner. The management of the Company also uses non-GAAP adjusted profit, in addition to the corresponding IFRS measures, in reviewing our financial results.

A material limitation associated with the use of non-GAAP profit as compared to the IFRS measure of profit is that it does not include costs which are recurring in nature and may not be comparable with the calculation of profit for other companies in our industry. The Company compensates for these limitations by providing full disclosure of the effects

Table of Contents

of non-GAAP measures, by presenting the corresponding IFRS financial measure and by providing a reconciliation to the corresponding IFRS measure.

Results of operations for the years ended March 31, 2010 and 2009

- § Our total revenues increased by 6.23%. This was driven primarily by a 17%, 11% and 6% increase in revenue from our Consumer Care and Lighting, IT Products and IT Services business segments respectively. This increased revenue was partially offset by a decline in revenue from our Others segment, including reconciling items.
- § Our gross profit as percentage of our total revenue increased by 190 basis points (bps). This was primarily on account of an increase in gross profit as a percentage of revenue from our Consumer Care and Lighting segment by 374 bps, an increase in gross profit as a percentage of revenue from our IT Services segment by 179 bps and an increase in gross profit as a percentage of revenue from our IT Products segment by 72 bps. This increase was partially offset by a decline in gross profit as a percentage of revenue from our Others segment, including reconciling items.
- § Our selling and marketing expenses as a percentage of revenue increased marginally from 6.78% for the year ended March 31, 2009 to 6.86% for the year ended March 31, 2010. In absolute terms selling and marketing expenses increased by 7.48%, primarily due to an increase in the Consumer Care and Lighting segment. This increase was partially offset by a decline in the IT Products segment, IT Services segment and Others segment, including reconciling items.
- § Our general and administrative expenses as a percentage of revenue decreased from 5.68% for the year ended March 31, 2009 to 5.46% for the year ended March 31, 2010. In absolute terms general and administrative expenses increased by 2.16%, primarily due to increased expenses in the IT Services segment, IT Products segment and Consumer Care and Lighting segment. This increase was partially offset by a decline in the Others segment, including reconciling items.
- § As a result of the foregoing factors, our operating income increased by 18.96%, from Rs. 43,300 for the year ended March 31, 2009 to Rs. 51,511 for the year ended March 31, 2010.
- § Our finance expenses declined from Rs. 3,824 for the year ended March 31, 2009 to Rs. 991 for the year ended March 31, 2010. This is primarily due to lower interest rates on our loans and borrowings during the year ended March 31, 2010 as compared to year ended March 31, 2009.
- § Our finance and other income declined from Rs. 5,057 for the year ended March 31, 2009 to Rs. 4,360 for the year ended March 31, 2010. Our dividend income declined by Rs 823 during the year ended March 31, 2010 as compared to year ended March 31, 2009. This was partially offset by an increase of Rs 646 in the interest income during the same period.
- § Our income taxes increased by Rs. 3,259, from Rs. 6,035 for the year ended March 31, 2009 to Rs. 9,294 for the year ended March 31, 2010. Adjusted for tax write-backs our effective tax rate increased from 12.6% for the year ended March 31, 2009 to 16.9% for the year ended March 31, 2010. The increase is primarily attributable to increase in proportion of income subject to income taxes.
- § Our equity in earnings of affiliates for the years ended March 31, 2009 and 2010 was Rs. 362 and Rs. 530, respectively. Equity in earnings of affiliates primarily relates to the equity in earnings of Wipro GE.
- § As a result of the foregoing factors, our profit attributable to equity holders increased by Rs. 7,170, or 18.50%, from Rs. 38,761 for the year ended March 31, 2009 to Rs. 45,931 for the year ended March 31,

2010.

Segment Analysis

IT Services

We provide IT services to our customers located in various markets around the world. The range of IT services we provide includes IT consulting, custom application design, development, re-engineering and maintenance, systems integration, package implementation, technology infrastructure total outsourcing, testing services and research and development services in the areas of hardware and software design. We also provide business process outsourcing or BPO services. Our services offerings within the business process outsourcing area include customer interaction services, finance and accounting services and business process improvement services for repetitive processes.

43

Table of Contents

Our IT Services segment accounted for 75% of our total revenue for each of the years ended March 31, 2009 and 2010, respectively. Our IT Services segment accounted for 93% and 92% of our total operating income for the years ended March 31, 2009 and 2010, respectively.

	Year ended March 31,		Year on
	2009	2010	Year
			change
Revenue	Rs. 191,613	Rs. 202,490	5.68%
Gross profit	63,140	70,346	11.41%
Selling and marketing expenses	(10,672)	(10,492)	(1.69)%
General and administrative expenses	(12,271)	(12,446)	1.43%
Operating income	40,197	47,408	17.94%
As a Percentage of Revenue:			
Selling and marketing expenses	5.57%	5.18%	39 bps
General and administrative expenses	6.40%	6.15%	25 bps
Gross margin	32.95%	34.74%	179 bps
Operating margin	20.98%	23.41%	243 bps

In our segment reporting only, management has included the impact of exchange rate fluctuations in revenue. Excluding the impact of exchange rate fluctuations, revenue, as reported in our statements of income, is Rs. 193,009 and Rs. 202,990 for the years ended March 31, 2009 and 2010, respectively.

Results of operations for the years ended March 31, 2010 and 2009

§ Our revenue from IT Services increased by 5.68%. In USD terms our revenue increased by 1.55% from \$4,323 million to \$4,390 million. Our average USD/INR realization increased from Rs. 44.32 for the year ended March 31, 2009 to Rs. 46.12 for the year ended March 31, 2010.

This increase of 1.55% was primarily due to a 14% increase in revenue from healthcare and services, a 13% increase in revenue from energy and utilities services, a 11% increase in revenue from CMSP services, an 8% increase in revenue from retail and transportation services and a 2% increase in revenue from financial services. These increases were partially offset by an 19% decline in revenue from technology services and 13% decline from telecom services. In our IT Services segment, we added 121 new clients during the year ended March 31, 2010.

§ Our gross profit as a percentage of our revenue from our IT Services segment increased by 179 bps. The improvement in gross margin as percentage of revenue is primarily on account of improvement in average USD/INR realization and improvement in utilization rates during the year ended March 31, 2010 as compared to year ended March 31, 2009.

Our average utilization of billable employees improved from 69.1% for the year ended March 31, 2009 to 71.5% for the year ended March 31, 2010. Further, the onsite price realization improved approximately 3.68% during the year ended March 31, 2010. These increases were partially offset by a decline in off-shore price realization by approximately 1.42% and an increase in personnel cost due to increased compensation as part of our annual compensation review.

§ Selling and marketing expenses as a percentage of revenue from our IT Services segment declined from 5.57% for the year ended March 31, 2009 to 5.18% for the year ended March 31, 2010. This decline is primarily attributable to cost rationalization measures adopted by the company; for example we used video conferencing and virtual meeting tools to reduce our travel spends.

§ General and administrative expenses as a percentage of revenue from our IT Services segment declined from 6.40% for the year ended March 31, 2009 to 6.15% for the year ended March 31, 2010. This decline is primarily attributable to higher provision for doubtful debts during the year ended March 31, 2009 as compared to March 31, 2010.

§ As a result of the above, operating income of our IT Services segment increased by 17.94%.

IT Products

We leverage our strong distribution channel to sell a range of Wipro personal desktop computers, Wipro servers and Wipro notebooks. We are also a value added reseller of desktops, servers, notebooks, storage products, networking

Table of Contents

solution and packaged software. Our IT Products segment accounted for 13% and 14% of our total revenue for the years ended March 31, 2009 and 2010, respectively. Our IT Products segment accounted for 3% of our operating income for each of the years ended March 31, 2009 and 2010, respectively.

	Year ended March 31,		Year on
	2009	2010	Year
			change
Revenue	Rs. 34,277	Rs. 38,205	11.46%
Gross profit	3,391	4,054	19.55%
Selling and marketing expenses	(1,361)	(1,275)	(6.32)%
General and administrative expenses	(667)	(1,015)	52.17%
Operating income	1,363	1,764	29.42%
 As a Percentage of Revenue:			
Selling and marketing expenses	3.97%	3.34%	63 bps
General and administrative expenses	1.95%	2.66%	(71) bps
Gross margin	9.89%	10.61%	72 bps
Operating margin	3.98%	4.62%	64 bps

In our segment reporting only, management has included the impact of exchange rate fluctuations in revenue. Excluding the impact of exchange rate fluctuations, revenue, as reported in our statements of income, is Rs. 34,417 and Rs. 38,361 for the years ended March 31, 2009 and 2010, respectively.

Results of operations for the years ended March 31, 2010 and 2009

Our revenue from the IT Products segment increased by 11.46% primarily due to higher demand for IT Products in India and Middle East markets, for both traded and manufactured products.

Our gross profit as a percentage of our revenue of our IT products segment increased by 72 bps. Our gross margin as a percentage of revenue increased both in traded and manufactured product. This increase is primarily due to an increase in the proportion of revenues from outsourcing and system integration contracts, which are higher value added offerings.

Selling and marketing expenses as a percentage of revenue from our IT Products segment declined marginally from 3.97% for the year ended March 31, 2009 to 3.34% for the year ended March 31, 2010. In absolute terms selling and marketing expenses declined by Rs. 86.

General and administrative expenses as a percentage of revenue from our IT Products segment increased from 1.95% for the year ended March 31, 2009 to 2.66% for the year ended March 31, 2010. In absolute terms general and administrative expenses increased by Rs. 348.

As a result of the above, operating income of our IT products segment increased by 29.42%.

Consumer Care and Lighting

We leverage our brand name and distribution strengths to sustain a profitable presence in niche markets in the areas of soaps, toiletries and lighting products. With the acquisitions of Unza group and Yardley, we are increasing our presence in personal care products sector in south-east Asia and the Middle-East. Our Consumer Care and Lighting segment accounted for 8% of our revenue for each of the years ended March 31, 2009 and 2010, respectively. Our Consumer Care and Lighting segment accounted for 6% of our operating income for each of the years ended March 31, 2009 and 2010, respectively.

	Year ended March 31,		Year on
			Year

	2009	2010	change
Revenue	Rs. 19,249	Rs. 22,584	17.33%
Gross profit	8,467	10,779	27.31%
Selling and marketing expenses	(4,750)	(6,492)	36.67%
General and administrative expenses	(1,125)	(1,207)	7.29%
Operating income	2,592	3,080	18.83%
As a Percentage of Revenue:			
Selling and marketing expenses	24.68%	28.75%	(407) bps
General and administrative expenses	5.84%	5.34%	50 bps
Gross margin	43.99%	47.73%	374 bps
Operating margin	13.47%	13.64%	17 bps

Table of Contents

In our segment reporting only, management has included the impact of exchange rate fluctuations in revenue. Excluding the impact of exchange rate fluctuations, revenue, as reported in our statements of income, is Rs. 19,303 and Rs. 22,591 for the years ended March 31, 2009 and 2010, respectively.

We have been in the consumer care business since 1945 and the lighting business since 1992. The consumer care business has historically generated surplus cash. Our strategy is to sustain operating margins, continue generating positive operating cash flows and increase the proportion of revenues from high margin products. With the acquisition of Unza and Yardley, our strategy is to sustain and expand our market share in south-east Asia and Middle-East and introduce premium personal care products of Unza and Yardley in the Indian markets.

Results of operations for the years ended March 31, 2010 and 2009

Our Consumer Care and Lighting revenue increased by 17.33%. This increase is attributable to an increase of approximately 16.16% in revenue from consumer products sold in Indian markets and an increase of approximately 14.34% in revenue from personal care products sold in south-east Asian markets. Further, our acquisition of Yardley contributed an additional 1.7% of our total revenue from the Consumer Care and Lighting segment.

The growth in revenues in Indian markets is primarily due to an increase in revenue from toilet soap products partially offset by a decline in revenues from lighting and furniture products.

Our gross profit as a percentage of our revenues from the Consumer Care and Lighting segment increased by 374 bps. The expansion in gross margins is primarily due to a decrease in major input costs and a change in the mix of products sold in favor of products which typically have higher gross margins in both Indian and South Asian markets.

Selling and marketing expense as a percentage of revenue from our Consumer Care and Lighting segment increased from 24.68% for the year ended March 31, 2009 to 28.75% for the year ended March 31, 2010. This increase is primarily due to higher brand promotion and advertisement spends in select geographies to further establish and expand our market base for our new personal care brands.

General and administrative expense as a percentage of revenue from our Consumer Care and Lighting segment declined from 5.84% for the year ended March 31, 2009 to 5.34% for the year ended March 31, 2010. In absolute terms general and administrative expenses increased by Rs. 82. This increase is primarily due to increased expenses incurred by our India operations.

As a result of the above, operating income from our Consumer Care and Lighting increased by 18.83%.

Others, including reconciling items**Results of operations for the years ended March 31, 2010 and 2009**

Revenue from our Others segment, including reconciling items, decreased by 21.93%, from Rs. 10,199 for the year ended March 31, 2009 to Rs. 7,962 for the year ended March 31, 2010. The decline in revenue is attributable to a slowdown in the global markets which has impacted the market for infrastructure engineering products in India and Europe.

Operating income/(loss) from our Others segment, including reconciling items, decreased from Rs. (852) for the year ended March 31, 2009 to Rs. (741) for the year ended March 31, 2010. This decrease is primarily due to the abolishment of the Fringe Benefit Tax in accordance with the Finance Act (No. 2), 2009. The FBT expense during the year ended March 31, 2009 was Rs. 412 recorded under reconciling items. The decrease was partially offset by higher losses in our hydraulic cylinders and tipping gear systems business during the year ended March 31, 2010, primarily due to contraction in the sales volume of the infrastructure engineering business due to the slowdown in the global market.

Table of Contents**Acquisitions**

An active acquisition program is an important element of our corporate strategy. In the last two fiscal years, we have invested in the aggregate, over Rs. 8,500 to acquire companies including the acquisition of Citi Technology Services Limited. In December 2009, the Company acquired 100% of the equity of Lornamead FZE (an entity incorporated in Dubai) and Lornamead Personal Care Private Limited (an entity incorporated in India) from UK-based Lornamead Group Limited. Yardley is a strong heritage global brand that was established in approximately 1770 and operates in the personal care category marketing fragrance products, bath and shower products and skin care products. Typically, the significant majority of our integration activities related to an acquisition are substantially completed within three to six months after the closing of the acquisition.

We believe our acquisition program supports our long-term strategic direction, strengthens our competitive position, particularly in acquiring new domain expertise, expands our customer base, increases our ability to expand our service offerings and provide a greater scale to grow our earnings and increase stockholders' value. See Note 6 of our Notes to Consolidated Financial Statements for additional information related to our acquisitions.

We routinely review potential acquisitions. We currently expect to finance our acquisitions through cash generated from operations, cash and cash equivalents and investments in liquid and short-term mutual funds as of March 31, 2010. However, for strategic acquisitions, we could decide to or be required to obtain additional debt or equity financing. We cannot be certain that additional financing, if needed, will be available on favorable terms, or if at all.

Foreign exchange gains / (losses), net

Foreign exchange gains/(losses), net, comprise:

exchange differences arising from the translation or settlement of transactions in foreign currency, except for exchange differences on debt denominated in foreign currency (which are reported within finance expense, net); and

the changes in fair value for derivatives not designated as hedging derivatives and ineffective portion of the hedging instruments. For forward foreign exchange contracts which are designated and effective as cash flow hedges, the marked to market gains and losses are deferred and reported as a component of other comprehensive income in stockholders' equity and subsequently recorded in the income statement when the hedged transactions occur, along with the hedged items.

Finance expense

Our finance expense comprise interest expense on borrowings, impairment losses recognized on financial assets, gains / losses on translation or settlement of foreign currency borrowings and changes in fair value and gains / losses on settlement of related derivative instruments. Borrowing costs are recognized in the statement of income using the effective interest method.

Finance and other income

Our finance and other income comprises interest income on deposits, dividend income and gains on disposal of available-for-sale financial assets. Interest income is recognized using the effective interest method.

Dividend income is recognized when the right to receive payment is established.

Equity in Earnings/Losses of Affiliates

Wipro GE Medical Systems Private Limited. (Wipro GE). We hold a 49% equity interest in Wipro GE Medical Systems Private Limited, a venture in which General Electric, USA holds the balance of 51%.

Income Taxes

Our profit for the period earned from providing services at client premises outside India is subject to tax in the country where we perform the work. Most of our tax paid in countries other than India can be applied as a credit against our Indian tax liability to the extent that the same income is liable to tax in India.

Currently, we benefit from certain tax incentives under Indian tax laws. As a result of these incentives, our operations have not been subject to significant Indian tax liabilities. These tax incentives currently include a tax holiday from payment of Indian corporate income taxes for our businesses operating from specially designated Software Technology and Hardware Technology Parks and Special Economic Zones. We are currently also eligible

for exemptions from other taxes, including customs duties.

47

Table of Contents

Software Technology and Hardware Technology Parks. There is an income tax deduction of 100% for profits derived from exporting information technology services for the first ten years from the commencement of provision of services. Previously, the tax holiday for these parks was scheduled to expire in stages with a mandated maximum expiry period of March 31, 2010. The Finance (No. 2) Act, 2009 has extended the availability of the 10-year tax holiday by a period of one year such that the tax holiday will now be available until the earlier of fiscal year 2011 or ten years after the commencement of a tax holiday for an individual undertaking.

Special Economic Zone. Under this scheme, units in designated special economic zones which begin providing services on or after April 1, 2005, will be eligible for a deduction of 100% of profits or gains derived from the export of services for the first five years from commencement of provision of services and 50% of such profits or gains for a further five years. Certain tax benefits are also available for a further five years subject to the unit meeting defined conditions.

As a result, a substantial portion of our pre-tax income has not been subject to a significant tax in India in recent years. When our tax holiday and income tax deduction exemptions expire or terminate, our costs will increase. Additionally, the Government of India could enact laws in the future, which could impair the tax incentives which benefit our business.

The Company had received tax demands from the Indian income tax authorities for the financial years ended March 31, 2001, 2002, 2003 and 2004, aggregating to Rs. 11,127 (including interest of Rs. 1,503). The tax demand was primarily on account of Indian income tax authority's denial of deduction claimed by the Company under Section 10A of the Income Tax Act 1961, in respect of profits earned by its undertakings in Software Technology Park at Bangalore. The appeals filed by the Company for the above years to the first appellate authority were allowed in favour of the Company, thus deleting a substantial portion of the demand raised by the Income tax authorities. On further appeal filed by the income tax authorities, the second appellate authority upheld the claim of the Company for the years ended March 31, 2001, 2002, 2003 and 2004. In December 2008, the Company received, on similar grounds, an additional tax demand of Rs. 5,388 (including interest of Rs. 1,615) for the financial year ended March 31, 2005. The Company has filed an appeal against the said demand which is pending before the first appellate authority.

In December 2009, the Company received the draft assessment order, on similar grounds, with a demand of Rs. 6,757 (including interest of Rs. 2,050) for the financial year ended March 31, 2006. The Company filed an objection against the said order before the Dispute Resolution Panel, which has issued directions confirming the position of the assessing officer. Subsequently, the assessing officer passed the final assessment order raising a tax demand of Rs. 7,218 (including interest of Rs. 2,510). The Company will file an appeal against the said order before the tribunal within the time limit permitted under the statute.

Considering the facts and nature of disallowance and the order of the first appellate authority upholding our claims for earlier years, we believe that the final outcome of the above disputes should be in our favour and there should not be any material impact on the financial statements.

Although we currently believe we will ultimately prevail in our appeals, the result of such appeals, and any subsequent appeals, cannot be predicted with certainty. Should we fail to prevail in our appeal, or any subsequent appeals, in any reporting period, the operating results of such reporting period could be materially adversely affected.

Pursuant to the changes in the Indian income tax laws, Minimum Alternate Tax (MAT) has been extended to income in respect of which a deduction is claimed under section 10A and 10B; consequently, we have calculated our domestic tax liability after considering MAT and accordingly, a deferred tax asset of Rs. 126 and Rs. 363 has been recognized in the statement of financial position as of March 31, 2009 and 2010, respectively. The excess tax paid under MAT provisions over and above normal tax liability can be carried forward for a period of ten years and set-off against future tax liabilities computed under normal tax provisions.

The Indian tax laws levy an additional income tax on companies called a Fringe Benefit Tax or FBT. Pursuant to this tax, companies are deemed to have provided fringe benefits to their employees if certain defined expenses and employee stock option expenses are incurred. These expenses, or a portion thereof, are deemed to be fringe benefits to the employees and subject a company to tax at a rate of 30%, exclusive of applicable surcharge and cess. The Finance Act (No.2), 2009 has abolished the levy of FBT. The perquisites provided to the employees are taxable as salary in the hands of employees.

Liquidity and Capital Resources

The Company's cash flow from its operating, investing and financing activities, as reflected in the Consolidated Statement of Cash Flows on page 100, is summarized in the table below:

48

Table of Contents

	Year ended March 31,		Year on
	2009	2010	Year
			Change
Net cash provided by/(used in) continuing operations:			
Operating activities	Rs. 36,099	Rs. 50,998	Rs. 14,899
Investing activities	(24,183)	(33,815)	(9,632)
Financing activities	(3,259)	(601)	2,658
Net change in cash and cash equivalents	8,657	16,582	7,925
Effect of exchange rate changes on cash and cash equivalent	663	(1,258)	(1,921)

As of March 31, 2010, we had cash and cash equivalent and short-term investments of Rs. 95,298. Cash and cash equivalent and short-term investments, net of debt was Rs. 32,787. In addition we have unused credit lines of Rs. 98,795. To utilize these lines of credit we require the consent of the lender and compliance with certain financial covenants. We have historically financed our working capital and capital expenditure through our operating cash flows and through bank debt, as required.

Cash provided by operating activities increased by Rs. 14,899, while profit for the year increased by Rs. 7,256 during the same period. The increase in cash provided by operating activities was primarily due to adjustment of Rs. 6,017 during the year ended March 31, 2010 as against (12,196) during the year ended March 31, 2009, on account of roll-over of cash flow hedges pursuant to our roll over hedging strategy and cash flows from net investment hedges. This was partially offset by an increase in the net other operating assets during the year ended March 31, 2010, which was mainly due to an increase in current receivables, attributable to an increase in number of receivable days in the IT Services segment from 60 days in March 2009 to 61 days in March 2010, and an increase in receivables in our IT Products business primarily due to sales growth. Receivable days as of a particular reporting date is the proportion of receivables, adjusted for unbilled and unearned revenue to the revenues for the respective fiscal quarter multiplied by 90.

Cash used in investing activities for the year ended March 31, 2010 was Rs. 33,815. Cash provided by operating activities was utilized for the net purchase of investments and inter-corporate deposits amounting to Rs. 20,921 and payment for acquisitions and earn-outs amounting to Rs. 4,399. We also purchased property, plant and equipment amounting to Rs. 12,631, which was primarily driven by the growth strategy of the Company.

Cash used in financing activities for the year ended March 31, 2010 was Rs. 601 as against Rs. 3,259 for the year ended March 31, 2009. This decrease is primarily due to increase in net proceeds from loans and borrowings amounting to Rs. 7,350. This was partially offset by payment of dividend amounting to Rs. 6,823.

On April 23, 2010, our Board proposed a cash dividend of Rs. 6 (\$0.13) per equity share and ADR. This proposal was approved by our shareholders at the Annual General Meeting held on July 22, 2010 and a dividend (including dividend tax thereon) amounting to approximately Rs. 10,070 has subsequently been paid.

We maintain a debt/borrowing level that we have established through consideration of a number of factors including cash flow expectations, cash required for operations and investment plans. We continually monitor our funding requirement and strategies are executed to maintain sufficient flexibility to access global funding sources, as needed. Please refer to Note 12 of our Notes to the Consolidated Financial Statements for more details on our borrowings.

As discussed above, cash generated from operations is our primary source of liquidity. We believe that our cash and cash equivalent along with cash generated from operations will be sufficient to meet our working capital requirements as well as repayment obligations in respect of debt / borrowings.

As of March 31, 2010, we had contractual commitments of Rs. 2,782 (\$62) related to capital expenditures on construction or expansion of software development facilities, Rs. 8,269 (\$184) related to non-cancelable operating lease obligations and Rs. 5,110 (\$114) related to other purchase obligations. Plans to construct or expand our software development facilities are dictated by business requirements.

In relation to our acquisitions, a portion of the purchase consideration is payable upon achievement of specified earnings targets in future. We expect that our cash and cash equivalents, investments in liquid and short-term mutual

funds and the cash flows expected to be generated from our operations in future will generally be sufficient to fund the earn-out payments and our expansion plans.

In the normal course of business, we transfer accounts receivables, net investment in sale-type finance receivable and employee advances (financial assets). Please refer Note 15 of our Notes to Consolidated Financial Statements.

Our liquidity and capital requirements are affected by many factors, some of which are based on the normal ongoing operations of our businesses and some of which arise from uncertainties related to global economies and the

Table of Contents

markets that we target for our services. We cannot be certain that additional financing, if needed, will be available on favorable terms, if at all.

As of March 31, 2009 and 2010, our cash and cash equivalent were primarily held in Indian Rupees, U.S. Dollars, Pound Sterling, Euro, Japanese Yen and Saudi Riyals.

Off-Balance Sheet Arrangements

We have not entered into any off-balance sheet arrangements as defined by SEC Final Rule 67 (FR-67),

Disclosure in Management's Discussion and Analysis about Off-Balance Sheet Arrangements and Aggregate Contractual Obligations .

Contractual obligations

The table of future payments due under known contractual commitments as of March 31, 2010, aggregated by type of contractual obligation, is given below:

Particulars	Total contractual payment	Payments due in			2015-16 onwards
		2010-11	2011-13	2013-15	
Short-term borrowings	43,836	43,836			
Long-term debt	17,963	340	17,501	108	14
Obligations under capital leases	712	228	268	157	59
Estimated interest payment ⁽¹⁾	1,473	356	1,083	31	3
Capital commitments	2,782	2,782			
Non-cancelable operating lease obligation	8,269	1,396	2,593	1,726	2,554
Purchase obligations	5,110	5,110			
Other non-current liabilities ⁽²⁾	266		266		

Our purchase obligations include all commitments to purchase goods or services of either a fixed or minimum quantity that meet any of the following criteria: (1) they are non-cancelable, or (2) we would incur a penalty if the agreement was terminated. If the obligation to purchase goods or services is non-cancelable, the entire value of the contract has been included in the above table. If the obligation is cancelable, but we would incur a penalty if cancelled, the amount of the penalty is included as a purchase obligation.

(1) Interest payments for long-term fixed rate debts have been calculated based on applicable rates and payment dates. Interest payments on floating rate debt have been calculated based on the payment dates and implied forward interest rates as of March 31, 2010 for each relevant debt instrument.

(2)

Other non-current liabilities in the statement of financial position include Rs. 2,967 in respect of employee benefit obligation and Rs. 3,065 towards uncertain tax position. For these amounts the extent of the amount and timing of repayment/settlement is not reliably estimatable or determinable at present and accordingly have not been disclosed in the table above.

Research and Development

Research and Development investments in IT Services and Products business is directed towards developing solutions that have broad applications across various industry segments and developing expertise in emerging technologies. Over a period of two to three years Research and Development efforts in identified areas are focused on developing in-depth solutions, frameworks and applications.

Research and Development initiatives are executed through Centers of Excellence or CoE and the Innovation Initiative.

CoEs are designed to enable growth of an existing practice and/or create a new practice. CoEs focus on creating competencies in specific existing and emerging technologies and domains. CoEs create thought leadership by publishing white papers and participating in industry forums. Currently, we have CoEs focusing on Wireless and Broadband Communication, Computing Platforms like Grid Computing, e-Biz technologies like Web services, Retail Supply chain management and other similar areas.

The Innovation Initiative is directed towards creating new solutions and intellectual property which potentially expand our service offerings. The Innovation Initiative covers the entire cycle of Idea Generation, Incubation and

Table of Contents

Successful Execution. We focus on Process Innovations, Delivery Innovations, Technology Innovations, Product Innovations and Business Innovations.

Trend Information

IT Services. Recently, the Indian IT companies experienced opportunity in transforming business from merely support and maintenance business, driving productivity gains and helping create new business models. This has led to IT becoming a strategic differentiator for customers. The increasing acceptance of outsourcing and off-shoring of activities as an economic necessity has contributed to the continued growth in our revenue.

The recent financial and credit crisis has resulted in an economic slowdown in US and Europe. In an economic slowdown, our clients could reduce, postpone or defer decisions on IT spending and outsourcing. However, the economic slowdown is gradually easing and recovery has started in the US and around the world. According to advance estimates of Bureau of Economic Analysis, the US economy is estimated to grow by 3.2% in first quarter of 2010. We anticipate that IT spends will stabilize and grow over a period of time.

Worldwide IT spending is forecast to reach \$3.4 trillion in 2010, a 5.3% increase from IT spending of \$3.2 trillion in 2009, according to Gartner, Inc. The IT industry will continue to show steady growth with IT spending in 2011 projected to surpass \$3.5 trillion, a 4.2% increase from 2010.

We expect increased competition among IT companies, which may limit our ability to increase prices. We continually strive to differentiate ourselves from the competition by developing innovative service delivery models, adopting new pricing strategies and demonstrating our value proposition to clients to sustain prices and profits. We have also acquired businesses to augment our existing services and capabilities.

Gross profit as a percentage of revenues in our IT Services segment for the year ended March 31, 2010 is 34.74%. We anticipate difficulties in significantly improving our gross profits, among other things, due to the following reasons:

- Our limited ability to increase prices;

- Increases in salaries, a cost which accounts for a major part of our expense line; and

- The impact of exchange rate fluctuations on our rupee realizations

In response to the possible reduction in demand for IT services, pressure on gross margins and the increased competition from other IT services companies, we are focusing on;

- Investing in customer relationship teams to penetrate deeper and offer a wide range of services;

- strengthening our delivery model;

- developing cost containment initiatives and driving higher employee productivity;

- aligning our resources to expected demand; and

- increasing the utilization of our IT professionals.

IT Products. In our IT Products business segment, we have experienced pricing pressures due to increased competition among IT companies. Large multinational corporations like IBM, HP and Dell have identified India as a key focus area. Our gross margin in this business segment is also impacted by the proportion of our business derived from the sale of traded and manufactured products.

Our IT Products business segment is also subject to seasonal fluctuations. Our revenue in this business segment is driven by the capital expenditure budgets and spending patterns of our clients, who often delay or accelerate purchases in reaction to tax depreciation benefits on capital equipment.

Consumer Care and Lighting. Our Consumer Care and Lighting business segment is also subject to seasonal fluctuations. Our revenues in this segment are also subject to commodity price fluctuations.

Our quarterly revenue, operating income and profit for the period have varied significantly in the past and we expect that they are likely to vary in the future. You should not rely on our quarterly operating results as an indication

of future performance. Such quarterly fluctuations may have an impact on the price of our equity shares and ADSs.

Table of Contents

Dividends. Final dividends on common stock are recorded as a liability on the date of declaration by the stockholders and interim dividends are recorded as a liability on the date of declaration by the board of directors.

New accounting standards not yet adopted

In January 2008, the IASB issued the revised standards *IFRS 3, Business Combinations* (*IFRS 3, (2008)*) and *IAS 27 Consolidated and Separate Financial Statements* (*IAS 27, (2008)*). The revisions result in several changes in the accounting for business combinations. IFRS 3 and IAS 27 will be effective for fiscal years beginning on or after July 1, 2009, with early adoption permitted. Historically, we have rarely entered into business combinations in which we did not fully acquire the target. Should this history continue, the main impacts from applying the revised IFRS 3 (2008) and IAS 27 (2008) should be those resulting from changes (if any) in acquired income tax risks in accordance with IAS 12 as well as additional expenses resulting from the new guidance in the revised IFRS 3 (2008), under which acquisition-related expenses are no longer to be recorded as part of the purchase price in a business combination. The amount of these expenses mainly depends on the number and size of our future business combinations as well as the extent of use of third-party resources in the acquisition process.

In July 2008, the IASB issued an amendment to *IAS 39, Financial Instruments: Recognition and Measurement: Eligible Hedged Items* (*IAS 39*). The amendment addresses the designation of a one-sided risk in a hedged item in particular situations. The amendment applies to hedging relationships in the scope of IAS 39. The amendment is effective for fiscal years beginning on or after July 1, 2009. Earlier application is permitted. The adoption of this amendment will not have a material impact on the financial statements.

In April 2009, the IASB issued *Improvements to IFRSs – a collection of amendments to twelve International Financial Reporting Standards* as part of its program of annual improvements to its standards, which is intended to make necessary, but non-urgent, amendments to standards that will not be included as part of another major project. The latest amendments were included in exposure drafts of proposed amendments to IFRS published in October 2007, August 2008, and January 2009. The amendments resulting from this standard mainly have effective dates for annual periods beginning on or after April 1, 2010, although entities are permitted to adopt them earlier. We are currently determining the impact these amendments will have on our consolidated financial statements.

In November 2009, the IASB issued an amendment to IAS 24 (revised 2009) *Related Party Disclosures* (IAS 24). The purpose of the revision is to simplify the definition of a related party, clarifying its intended meaning and eliminating inconsistencies from the definition. The revision is effective for fiscal years beginning on or after January 1, 2011. Earlier application is permitted. We are currently determining the impact these amendments will have on our consolidated financial statements.

In November 2009, the IASB issued IFRS 9 *Financial Instruments* on the classification and measurement of financial assets. The new standard represents the first part of a three-part project to replace IAS 39 *Financial Instruments: Recognition and Measurement* (IAS 39) with IFRS 9 *Financial Instruments* (IFRS 9). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the many different rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. IFRS 9 is effective for fiscal years beginning on or after January 1, 2013. Earlier application is permitted. We are currently determining the impact, these amendments will have on our consolidated financial statements.

Exemptions to which we have availed in accordance with IFRS 1, First time adoption of IFRS**Exemptions from retrospective application**

For transition to IFRS our previous GAAP is considered as Indian GAAP. Following are the optional exemptions which we have opted.

- a. **Business combinations** We have applied the exemption as provided in IFRS 1 towards non-application of IFRS 3, *Business Combinations* to business combinations consummated prior to April 1, 2008 (Transition Date). Accordingly, the business combinations prior to the transitions date have been accounted for as per Previous GAAP.
- b. **Share-based payment exemption** We have applied the shared based payment exemption on application of IFRS 2, *Share based payment* , to only grants made after November 7, 2002, which remained unvested as of the

transition date.

- c. Borrowing costs We have capitalized the borrowing cost in respect of qualifying assets prior to the transition date.

Table of Contents**Exceptions from retrospective application**

- a) **Hedge accounting** We followed the hedge accounting under Previous GAAP which is aligned to IFRS. Accordingly, this exception of not reflecting in its opening IFRS statement of financial position a hedging relationship of a type that does not qualify for hedge accounting under IAS 39, is not applicable to us.
- b) **Estimates exception** Upon an assessment of the estimates made under Previous GAAP, we concluded that there was no necessity to revise such estimates under IFRS, except where estimates were required by IFRS and not required by Previous GAAP.

Critical accounting policies

Critical accounting policies are defined as those that in our view are the most important for portrayal of the Company's financial condition and results and which place the most significant demands on management's judgment. For a detailed discussion on the application of these and other accounting policies, please refer to Note 3 to the Notes to Consolidated Financial Statements.

While preparing financial statements we make estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Such critical accounting estimates could change from period to period and have a material impact on the Company's results of operation, financial position and cash flows. Actual results may differ from estimates. Revision to accounting estimates are recognized in the period in which estimate is revised and future period affected.

Revenue:

We derive revenue primarily from:

- software development and maintenance services;
 - BPO services; and
 - Sale of IT and other products.
- a) **Services:** We recognize revenue when the significant terms of the arrangement are enforceable, services are being delivered and the collectability is reasonably assured. The method for recognizing revenues and costs depends on the nature of the services rendered:
- (i) **Time and materials contracts:** Revenues and costs relating to time and materials contracts are recognized as the related services are rendered.
 - (ii) **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 direct 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. Costs which relate to future activity on the contract are recognized as contract work in progress. If we do 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 income statement 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 included in other current liabilities represent billing in excess of revenue recognized.
- (iii) **Maintenance contract:** Revenue from maintenance contracts is recognized ratably over the period of the contract using the percentage of completion method.
- b) **Products:** Revenue from products are recognized when:

- we have transferred the significant risks and rewards of ownership to the buyer;
- continuing managerial involvement usually associated with ownership and effective control have ceased;

Table of Contents

- amount of revenue can be measured reliably;
 - it is probable that economic benefits associated with the transaction will flow to the Company; and
 - costs incurred or to be incurred in respect of the transaction can be measured reliably.
- c) *Multiple element arrangements:* We allocate revenue to each separately identifiable component of the transaction based on the guidance in IAS 18. We allocate the arrangement consideration to separately identifiable components based on their relative fair values or on the residual method. Fair values are determined based on sale prices for the components when it is regularly sold separately, third-party prices for similar components or cost plus, an appropriate business-specific profit margin related to the relevant component.
- d) *Others:* The company accounts for volume discounts and pricing incentives to customers by reducing the amount of discount from the amount of revenue recognized at the time of sale.
- Revenues are shown net of sales tax, value added tax, service tax and applicable discounts and allowances. Revenue includes excise duty and shipping and handling costs.

Income tax:

Income tax comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent it relates to items directly recognized in equity, in which case it is recognized in equity.

- a) *Current income tax:* As part of the process of preparing our consolidated financial statements we are required to estimate our income taxes in each of the jurisdictions in which we operate. We are subject to tax assessments in each of these jurisdictions. A tax assessment can involve complex issues, which can only be resolved over extended time periods. Though we have considered all these issues in estimating our income taxes, there could be an unfavorable resolution of such issues that may affect results of our operations.

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

- b) *Deferred income tax:* We recognize deferred income tax using the balance sheet approach. Deferred tax is recognized on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. We recognize a deferred tax asset only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and tax loss carry forwards can be utilized.

The measurement of deferred tax assets involves judgment regarding the deductibility of costs not yet subject to taxation and estimates regarding sufficient future taxable income to enable utilization of unused tax losses in different tax jurisdictions. We consider the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. All deferred tax assets are subject to review of probable utilization.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

We recognize deferred income tax liabilities for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries and associates where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

- c) *Others:* In addition to the U.S. federal income tax at a rate of up to 35% arising from our income attributed to our U.S. branch, we are subject to a 15% branch profit tax in the United States on the dividend equivalent

amount as that term is defined under U.S. tax law. We have not triggered the branch profit tax and, consistent with our business plan, we intend to maintain the current level of our net assets in the United States.

Accordingly, we did not record a provision for branch profit tax as of March 31, 2010.

Share based payment transaction:

Our employees receive remuneration in the form of equity instruments, for rendering services over a defined vesting period. Equity instruments granted is measured by reference to the fair value of the instrument at the date of grant.

Table of Contents

Since these are granted at a nominal exercise price, the intrinsic value on the date of grant approximates the fair value. The expense is recorded by a compensating increase to the share based payment reserve, a component of equity.

The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of respective tranches (accelerated amortization). The stock compensation expense is determined based on our estimate of equity instruments that will eventually vest.

In accounting for amortization of stock compensation, we estimate stock option forfeitures. Any revisions of our estimates could impact our results of operations and our financial position.

Derivative financial instruments

Although our functional currency is the Indian rupee, we transact a significant portion of our business in foreign currencies, particularly the U.S. dollar. The exchange rate between the rupee and the dollar has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of our operations are affected as the rupee fluctuates against the U.S. dollar. Our exchange rate risk primarily arises from our foreign currency revenues, cash balances, payables and debt. We enter into derivative instruments to primarily hedge our forecasted cash flows denominated in certain foreign currencies, foreign currency debt and net investment in overseas operations.

Changes in fair value of derivatives not designated as hedging derivatives and ineffective portion of the hedging instruments are recognized in consolidated statements of income of each period. We assess the hedge effectiveness at the end of each reporting period generally using the dollar offset method.

Hedge ineffectiveness could result from forecasted transactions not happening in the same amounts or in the same periods as forecasted or changes in the counterparty credit rating. Further, change in the basis of designating derivatives as hedges of forecasted transactions could alter the proportion of derivatives which are ineffective as hedges. Hedge ineffectiveness increases volatility of the consolidated statements of income since the changes in fair value of an ineffective portion of derivatives is immediately recognized in the consolidated statements of income.

As of March 31, 2010, there were no significant gains or losses on derivative transactions or portions thereof that have become ineffective as hedges, or associated with an underlying exposure that did not occur.

Derivatives are recognized initially at fair value; attributable transaction costs are recognized in statement of income when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

- a) *Cash flow hedges:* Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized directly in equity to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in statement of income. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognized in equity is transferred to statement of income upon the occurrence of the forecasted transaction.
- b) *Hedges of net investment in foreign operations:* We designate derivative financial instruments as hedges of net investments in foreign operations. We have also designated a combination of foreign currency denominated borrowings and related cross currency swaps as hedge of net investment in foreign operations. Changes in the fair value of the derivative hedging instrument and gains/losses on translation or settlement of foreign currency denominated borrowings designated as hedge of net investment in foreign operations are recognized directly in equity to the extent that the hedge is effective. The cumulative gain or loss previously recognized in equity is transferred to statement of income upon sale or disposal of the related net investment in foreign operation. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of income.
- c) *Others:* Changes in fair value for derivatives not designated as hedging derivatives are recognized in consolidated statements of income of each period.

Business combination, goodwill and intangible assets:

Business combinations are accounted for using the purchase method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. We exercise judgment in identifying whether an identifiable

intangible asset is to be recorded separately from goodwill. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of acquisition, based on information available at acquisition date and based on expectations and assumptions that are deemed reasonable by management.

- a) *Goodwill*: Goodwill is initially measured at cost being the excess of the cost of the business combination over the Company's share in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If

Table of Contents

the cost of acquisition is less than the fair value of the net assets of the business acquired, the difference is recognized immediately in the income statement.

Goodwill is tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The goodwill impairment test is performed at the level of cash-generating unit or groups of cash-generating units which represent the lowest level at which goodwill is monitored for internal management purposes.

We use market related information and estimates (generally risk adjusted discounted cash flows) to determine the fair values. Cash flow projection take into account past experience and represents management's best estimate about future developments. Key assumptions on which management has based its determination of fair value less costs to sell and value in use include estimated growth rates, weighted average cost of capital and tax rates. These estimates, including the methodology used, can have a material impact on the respective values and ultimately the amount of any goodwill impairment.

- b) *Intangible:* Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

Intangible assets with finite lives are amortized over the estimated useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated and consumed. These estimates are reviewed at least at each financial year end. Intangible assets with indefinite lives are not amortized, but instead tested for impairment at least annually and written down to the fair value as required.

The estimated useful lives of the amortizable intangibles assets are as follows:

Category	Useful life
Customer-related intangibles	2 to 11 years
Marketing related intangibles	20 to 30 years

Other estimates:

We make estimates of the uncollectability of our accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

We provide for inventory obsolescence, excess inventory and inventories with carrying values in excess of market values based on our assessment of the future demands, market conditions and our specific inventory management initiatives. If market conditions and actual demands are less favorable than our estimates, additional inventory write-downs may be required. In all cases inventory is carried at the lower of historical cost or market value.

Goodwill Impairment Testing

We test goodwill for impairment annually in accordance with our procedure for determining the recoverable value of such assets. For the purpose of impairment testing, goodwill is allocated to cash generating unit (CGU) representing the lowest level within the Group at which goodwill is monitored for internal management purposes, and which is not higher than the Group's operating segment. The recoverable amount of the CGU is the higher of its fair value less cost to sell (FVLCTS) and its value-in-use (VIU). The FVLCTS of the CGU is determined based on the market capitalization approach, using the turnover and earnings multiples derived from observed market data. The

VIU is determined based on discounted cash flow projections. Key assumptions used by us to determine the VIU includes:

- a. Estimated cash flows for five years based on formal/approved internal management budgets with extrapolation for the remaining period, wherever such budgets were shorter than 5 years period.

Table of Contents

- b. Terminal value arrived by extrapolating last forecasted year cash flows to perpetuity using long-term growth rates: 2%-6%. These long terms growth rates takes into consideration external macroeconomic sources of data. Such long-term growth rate considered does not exceed that of the relevant business and industry sector.
- c. The discount rates used are based on the our weighted average cost of capital as an approximation of the weighted average cost of capital of a comparable market participant, which are adjusted for specific country risks 10.5% to 15%.

Based on the above, no impairment was identified as of March 31, 2010 as the recoverable value of the CGUs exceeded the carrying value. An analysis of the calculation s sensitivity to a change in the key parameters (Revenue growth, operating margin, discount rate and long term growth rate) based on reasonably probable assumptions, did not identify any probable scenarios where the CGU s recoverable amount would fall below its carrying amount

Item 6. Directors, Senior Management and Employees**Directors and Senior Management**

Our directors and executive officers, their respective ages and positions as of September 30, 2010 were as follows:

Name	Age	Position
Azim H. Premji	65	Chief Executive Officer, Chairman of the Board and Managing Director (designated as Chairman)
Dr. Ashok S Ganguly	75	Director
B.C. Prabhakar	67	Director
Dr. Jagdish N. Sheth	72	Director
Narayanan Vaghul	74	Director
William Arthur Owens	70	Director
P.M. Sinha	70	Director
Dr. Henning Kagermann	63	Director
Suresh C. Senapaty	53	CFO and Director
Suresh Vaswani	50	Joint CEO, IT Business and Director
Girish S Paranjpe	52	Joint CEO, IT Business and Director
Shyam Saran	64	Director
Anurag Behar	41	Chief sustainability officer
Vineet Agrawal	48	President, Wipro Consumer Care and Lighting
Pratik Kumar	44	Executive Vice President Human Resources and President Wipro Infrastructure Engineering
T K Kurien	50	President, Wipro Eco Energy
Martha Bejar	48	President, Global Sales & Operations, Wipro Technologies
S. Deb	52	Chief Global Delivery Officer, Wipro Technologies

Azim H. Premji has served as our Chief Executive Officer, Chairman of our Board of Directors and Managing Director (designated as Chairman) since September 1968. Mr. Premji holds a Bachelor of Science, or B.S. in Electrical Engineering from Stanford University, U.S.A.

Dr. Ashok Ganguly has served as a Director on our Board since 1999. He is the Chairman of our Board Governance & Nomination Committee and Compensation Committee. He is currently the Chairman of First Source Solutions Limited and ABP Pvt. Ltd (Ananda Bazar Patrika Group). Dr. Ganguly also currently serves as a non-executive Director of Mahindra & Mahindra Limited, Tata AIG Life Insurance Co Ltd, Hemogenomics Pvt. Ltd, The Blackstone Group(Advisory), Dr. Reddy Laboratories Limited, and Director on the Advisory Board of Microsoft Corporation (India) Pvt. Ltd. Dr. Ganguly is also the Chairman of the Compensation and Board Governance Committee,

Table of Contents

Investors/Shareholders Grievances Committee of First Source Solutions Limited. He is also chairman of Research and Development Committee of Mahindra and Mahindra Ltd and Remuneration Committee of Tata AIG Life Insurance Company Limited. He is a member of the Prime Minister's Council on Trade and Industry and the India-USA CEO Council, set up by the Prime Minister of India and the President of the USA. Dr. Ganguly is a Rajya Sabha Member. He is a former member of the Board of British Airways Plc (1996-2005) and Unilever Plc/NV (1990-97); Dr. Ganguly was formerly Chairman of Hindustan Unilever Limited (1980-90). Dr. Ganguly was on the Central Board of Directors of the Reserve Bank of India (2000-2009). In 2006, Dr. Ganguly was awarded the CBE (Hon) by the United Kingdom. In 2008, Dr. Ganguly received the Economic Times Lifetime Achievement Award and, more recently, he was the recipient of the Padma Vibhushan, India's second highest civilian award during the year 2008-09.

B.C. Prabhakar has served as a Director on our Board since February 1997. He is been a practicing lawyer since April 1970. Mr. Prabhakar holds a B.A. in Political Science and Sociology and a BL. from Mysore University, India. Mr. Prabhakar serves as a non-executive Director of Automotive Axles Limited and 3M India Limited. He is also a member of the Audit, Risk and Compliance Committee and Chairman of the Administrative and Shareholder / Investor Grievances Committee.

Dr. Jagdish N. Sheth has served as a Director on our Board since January 1999. He has been a professor at Emory University since July 1991. Dr. Sheth is also on the Boards of Innovolt Inc and Safari Industries. Dr. Sheth holds a B. Com (Honors) from Madras University, a M.B.A. and a Ph.D in Behavioral Sciences from the University of Pittsburgh, U.S.A.

Narayanan Vaghul has served as a Director on our Board since June 1997. He is the Chairman of our Audit, Risk and Compliance Committee, member of the Board Governance & Nomination Committee and member of the Compensation Committee. He was the Chairman of the Board of ICICI Bank Limited from September 1985 till April 2009. Mr. Vaghul is also on the Boards of Mahindra and Mahindra Ltd., Mahindra World City Developers Limited, Piramal Healthcare Limited, and Apollo Hospitals Enterprise Limited. Mr. Vaghul is the Chairman of the Compensation Committee of Mahindra and Mahindra Limited and Nicholas Piramal India Limited. Mr. Vaghul is also the member of the Audit Committee in Nicholas Piramal India Limited. Mr. Vaghul is also the lead independent Director of our Company. Mr. Vaghul holds Bachelor (Honors) degree in Commerce from Madras University, Mr. Vaghul was the recipient of the Padma Bhushan, India's third highest civilian award during the year 2009-10. Mr. Vaghul also received the Economic Times Lifetime Achievement Award.

William Arthur Owens has served as a Director on our Board since July 1, 2006. He is also a member of Board Governance and Nomination Committee. He has held senior leadership positions at large multinational corporations. From April 2004 to November 2005, Mr. Owens served as Chief Executive Officer and Vice Chairman of the Board of Directors of Nortel Networks Corporation, a networking communications company. From August 1998 to April 2004, Mr. Owens served as Chairman of the Board of Directors and Chief Executive Officer of Teledesic LLC, a satellite communications company. From June 1996 to August 1998, Mr. Owens served as President, Chief Operating Officer and Vice Chairman of the Board of Directors of Science Applications International Corporation (SAIC), a research and engineering firm. Presently, Mr. Owens serves as a member of the Board of Directors of Polycom Inc, Intelius and Chairman of Century Link Inc, a media communications company. Mr. Owens holds a M.B.A. (Honors) degree from George Washington University, a B.S. in Mathematics from the U.S. Naval Academy and a B.A. and M.A. in Politics, Philosophy and Economics from Oxford University.

Priya Mohan Sinha has served as a Director on our Board since January 1, 2002. He is a member of our Audit, Risk and Compliance Committee, Board Governance & Nomination Committee and Compensation Committee. He has served as the Chairman of PepsiCo India Holdings Limited and President of Pepsi Foods Limited since July 1992. From October 1981 to November 1992, he was on the Executive Board of Directors of Hindustan Lever Limited (currently Hindustan Unilever Limited). From 1981 to 1985 he also served as Sales Director of Hindustan Lever Limited (currently Hindustan Unilever Limited). Currently, he is also on the Boards Bata India Limited, Lafarge India Pvt. Limited. He was also the Chairman of Reckitt Coleman India Limited and Chairman of Stephan Chemicals India Limited. Mr. Sinha holds a Bachelor of Arts from Patna University and he has also attended Advanced Management Program in the Sloan School of Management, Massachusetts Institute of Technology. Mr. Sinha is also the Chairman of the Nomination, Governance and Compensation Committee of Bata India Limited. Mr. Sinha is also on the

Advisory Board of Rieter India.

Dr. Henning Kagermann has served as a Director on our Board since October 27, 2009. He has served as Chief Executive officer of SAP AG till 2009. He has been a member of SAP Executive Board since 1991. He is also President of Acatech (German Academy of Science and Technology) and currently a member of supervisory boards of Deutsche Bank AG, Munich Re, Deutsche Post and BMW Group in Germany. Dr. Henning Kagermann is extra-ordinary professor for Theoretical Physics at the Technical University Braunschweig, Germany and has received honorary doctorate from the university of Magdeburg, Germany.

Suresh C. Senapaty has served as our Chief Financial Officer and Director since April 2008 and served with us in other positions since April 1980. Mr. Senapaty holds a B. Com. from Utkal University in India, and is a Fellow Member

Table of Contents

of the Institute of Chartered Accountants of India. Mr. Senapaty is on the Boards of the following India subsidiary companies: Wipro Trademarks Holding Limited, Wipro Chandrika Limited, Wipro Travel Services Limited, Cygnus Negri Investments Private Limited, Wipro Technology Services Limited, Wipro Consumer Care Limited and Wipro GE Healthcare Private Limited. Mr. Senapaty is also the Chairman of the Audit Committee of Wipro Technology Services Limited.

Suresh Vaswani has served as Joint CEO, IT Business and Director since April 2008 and has served with us in other positions since June 1987. Mr. Vaswani holds a Bachelor of Technology, or B.Tech. from the Indian Institute of Technology, or IIT, Kharagpur, India and a Post Graduate Diploma in Management from the Indian Institute of Management, Ahmedabad, India. He is a member of our Administrative/Shareholders & Investor Grievance Committee. He is also a director on the Board of our few overseas subsidiary companies.

Girish S Paranjpe has served as Joint CEO, IT Business and Director since April 2008 and has served with us in other positions since July 1990. Mr. Paranjpe holds a B.Com. from Bombay University, India and is a Fellow Member of Institute of Chartered Accountants of India and Institute of Cost and Works accountants of India. He is also a director on the Board of our few overseas subsidiary companies.

Shyam Saran has served as a Director on our Board since July 1, 2010. Mr. Saran is a career diplomat who has served in significant positions in the Indian government for over three decades. Mr. Saran belongs to the 1970 batch of Indian Foreign Service. Mr. Saran last served as special Envoy of the Prime Minister of India (October 2006 to March 2010) specializing in nuclear issues, and he also was the Indian Envoy on climate change. Prior to this appointment, Mr. Saran was the Foreign Secretary, Government of India (2004-2006). Mr. Saran also served as the Ambassador of India to Nepal, Indonesia, Myanmar and Mauritius. Mr. Saran's diplomatic stints have taken him to Indian missions in Geneva, Beijing and Tokyo. Mr. Saran has been a fellow of the United Nations Disarmament program in Geneva, Vienna and New York. Mr. Saran holds a Post Graduate degree in economics.

Anurag Behar has served as CEO of Wipro Infrastructure Engineering and in other positions since May 20, 2002. Mr. Anurag Behar holds a Masters Degree in Business Administration (MBA) from XLRI-Jamshedpur and Bachelors degree in Engineering from Regional Engineering College, Trichy.

Vineet Agrawal has served as President of Wipro Consumer Care and Lighting since July 2002 and has served with us in other positions since December 1985. Mr. Agrawal holds a B.Tech. from IIT, New Delhi, India and an M.B.A. from Bajaj Institute of Management Studies, Mumbai, India.

Pratik Kumar has served as our Executive Vice-President, Human Resources, since April 2002, and has served with us in other positions since November 1991. Mr. Pratik Kumar holds a B. A. from Delhi University and an M.B.A. from Xavier Labour Relations Institute (XLRI), Jamshedpur, India.

T. K. Kurien has served as President WCS, Global Programs & Strategic Initiative of Wipro since June 23, 2008 and has served with us in other positions since February 11, 2000. Mr. Kurien is a Chartered Accountant and holds a Bachelors Degree in Engineering.

Martha Bejar has served as President-Sales & Global Operations since July 1, 2009. Ms. Bejar has served earlier in Microsoft Corporation from June 2007 to June 2009 as Corporate Vice President for the Communications Sector at Microsoft. Ms. Bejar also served as President of Nortel's Caribbean and Latin America regions. Ms. Bejar is a Graduate from Harvard School of Business School Management Advance Program, and holds M.B.A Degree from Nova Southeastern University (USA) and BSIE from University of Miami (USA).

S. Deb has served as Chief Global Delivery Officer of Wipro since April 30, 2008 and has served with us in other positions since June 29, 1982. Mr. S Deb is a Management Graduate and holds M.B.A Degree from IIM Ahmedabad and B.Tech from IIT Kharagpur.

Compensation**Director Compensation**

Our Board Governance and Compensation Committee determines and recommends to our Board of Directors the compensation payable to our directors. All board-level compensation is subject to approval by our shareholders. Each of our non-employee directors receive an attendance fee per meeting of \$444 during the current year for every Board and Committee meeting they attend. Our directors are reimbursed for travel and out-of-pocket expenses in connection with their attendance at Board and Committee meetings. Additionally, we also compensate non-employee

directors by way of commission, which is limited to a fixed sum payable as approved by the Board subject to a maximum of 1% of the net profits of the Company as approved by the shareholders.

In the fiscal year ended March 31, 2010, we paid an aggregate of \$0.43 million (Rs. 19.7 million) as commission to our non-employee directors.

Table of Contents**Executive Compensation**

The annual compensation of our executive directors is approved by our Board Governance and Compensation Committee, within the parameters set by the shareholders at the shareholders meetings, and the annual compensation of our other executive officers is approved by our Board Governance and Compensation Committee. Remuneration of our executive officers, including our employee directors, consists of a fixed component, performance bonus and a variable performance linked incentive. The following tables present the annual and long-term compensation earned, awarded or paid for services rendered to us for the fiscal year 2010 by our Executive Directors and members of our administrative, supervisory or management bodies. For the convenience of the readers, the amounts in the below table has been translated into U.S. dollars based on the certified foreign exchange rates published by Federal Reserve Board of New York on March 31, 2010, which was Rs. 44.95 per \$ 1.00.

Name	Annual Compensation (\$)				Long-term compensation (Deferred Benefit (3)&(4))
	Salary and allowances	Commission/ Incentives (1)	Housing (2)	Others	
Azim H. Premji	\$ 95,888	\$1,449,346	\$90,100	\$ 15,230	\$ 100,202
Suresh C. Senapaty	202,399	158,019		255,740	38,691
Pratik Kumar Vineet	184,194	135,191		223,303	25,296
Agrawal Suresh	198,735	135,235		3,583	36,721
Vaswani	257,276	186,017		172,542	43,299
Martha Bejar	416,167	354,631		370,000	27,602
Girish S. Paranjpe	237,612	174,962	12,627	2,618	42,586
S. Deb	140,676	99,779		192,103	24,911
T. K. Kurien	210,682	115,279		122,605	24,340
Anurag Behar	160,411	92,497		141,919	18,349

1. Azim H. Premji was paid commissions at the rate of 0.3% on incremental net profits of the Company over the previous year computed based on the method approved by the Board Governance and Compensation Committee and

in accordance with the provisions of the Indian Companies Act, 1956. All other executives were paid incentives under a Quarterly Performance Linked Scheme based on achievement of pre-defined profit targets.

2. The value of housing perquisite accounts for more than 25% of the total value of all perquisites and personal benefits received in fiscal 2010.
3. Deferred benefits are payable to employees by way of our contribution to the Provident Fund and Pension Fund. The Provided Fund is a statutory fund to which Wipro and our employees contribute every month. A lump sum payment on separation and a pension payment on

attaining the age of superannuation are payable from the balance standing to the credit of the Fund, as per the Employee Provident Fund and Miscellaneous Provisions Act, 1952.

4. Under our pension plans, any pension that is payable to an employee is not computed on the basis of final compensation, but on the accumulated pension fund to the credit of the employee as the date of separation, death, disability or retirement. We annually contribute 15% of Mr. Premji's base salary and commission earned for that year to our pension fund for the benefit of Mr. Premji. For all other employees, we contribute 15% of their respective base salaries to our pension for their benefit. These contributions

are included in
this column.

We operate in numerous countries and compensation for our officers and employees may vary significantly from country to country. As a general matter, we seek to pay competitive salaries in all the countries in which we operate.

Board Composition

Our Articles of Association provide that the minimum number of directors on our board of directors shall be four and the maximum number shall be fifteen. As of September 30, 2010, we had twelve directors on our Board. Our Articles of Association provide that at least two-thirds of our directors shall be subject to retirement by rotation. One third of these directors must retire from office at each Annual General Meeting of the shareholders, but each retiring director is eligible for re-election at such meeting. Mr. N. Vaghul, Dr. Ganguly and Mr. P. M. Sinha each retired by rotation and were immediately re-elected at our Annual General Meeting of shareholders held on July 22, 2010. Dr. Henning Kagermann and Mr. Shyam Saran were also elected as retiring directors at such meeting. In addition to retiring directors, up to one third of our directors are non-retiring directors. Currently, Mr. Azim H. Premji is a non-retiring director.

The term and expiration date of each director is as follows:

60

Table of Contents

Name	Expiration of current term of office	Term of office
Azim H. Premji	July 30, 2011	2 years
Dr. Jagdish Sheth	Annual General Meeting 2012	Retirement by rotation
Dr. Ashok S. Ganguly	Annual General Meeting 2013	Retirement by rotation
B. C. Prabhakar	Annual General Meeting 2012	Retirement by rotation
N. Vaghul	Annual General Meeting 2013	Retirement by rotation
P. M. Sinha	Annual General Meeting 2013	Retirement by rotation
William Arthur Owens	Annual General Meeting 2012	Retirement by rotation
Shyam Saran	Annual General Meeting 2014	Retirement by rotation
Dr. Henning Kagermann	Annual General Meeting 2014	Retirement by rotation
Suresh C. Senapaty	April 17, 2013	5 years from the date of appointment
Girish S. Paranjpe	April 17, 2013	5 years from the date of appointment
Suresh Vaswani	April 17, 2013	5 years from the date of appointment

Option Grants

There were no option grants to our Chief Executive Officer, Chairman and Managing Director (designated as Chairman) in the fiscal years 2009 and 2010. Details of options granted to other senior management executives as of September 30, 2010 are reported elsewhere in this Item 6 under the section titled Share Ownership.

Option Exercises and Holdings

Our Chairman did not exercise or hold any options during the period ended as September 30, 2010. The details of stock options held and exercised until September 30, 2010 with respect to other senior management executives are reported elsewhere in this Item 6 under the section titled Share Ownership.

Terms of Employment Arrangements and Indemnification Agreements

Under the Companies Act, our shareholders must approve the salary, bonus and benefits of all employee directors at a General Meeting of Shareholders. Each of our employee directors have signed an agreement containing the terms and conditions of employment, including a monthly salary, performance bonus and benefits including vacation, medical reimbursement and pension fund contributions. These agreements have varying terms ranging from a two to five year period, but either we or the employee director may generally terminate the agreement upon six months notice to the other party.

The terms of our employment arrangements with Azim H. Premji, Pratik Kumar, Suresh C. Senapaty, Martha Bejar, Suresh Vaswani, Anurag Behar, Girish S. Paranjpe, T.K. Kurien, S. Deb and Vineet Agrawal provide for up to a 180-day notice period, up to 21 days of leave per year in addition to statutory holidays, and an annual compensation review. Additionally, employees are required to relocate as we may determine, and to comply with confidentiality provisions.

We also have entered into agreements to indemnify our directors and officers for claims brought under any rule of law to the fullest extent permitted by applicable law. These agreements, among other things, indemnify our directors and officers for certain expenses, judgments, fines and settlement amounts incurred by any such person in any action or proceeding, including any action by or in the right of Wipro Limited, arising out of such person's services as our director or officer, including claims which are covered by the Insurance Policy on Directors and Officers' Liability Insurance taken by the Company.

Board Committee Information***Audit/Risk and Compliance Committee***

The Audit Committee of our Board of Directors, which was formed in 1987, reviews, acts on and reports to our Board of Directors with respect to various auditing and accounting matters. The primary responsibilities are:

Auditing and accounting matters, including recommending the appointment of our independent auditors to the shareholders,

Compliance with legal and statutory requirements,

Integrity of the Company's financial statements, discussing with the independent auditors the scope of the annual audits, and fees to be paid to the independent auditors,

Performance of the Company's Internal Audit function, Independent Auditors and accounting practices,

Review of related party transactions, functioning of Whistle Blower mechanism, and

Table of Contents

Implementation of the applicable provisions of the Sarbanes Oxley Act, 2002 including review on the progress of internal control mechanisms to prepare for certification under Section 404 of the Sarbanes Oxley Act, 2002.

All members of our Audit/Risk and Compliance Committee are independent non-executive directors and financially literate. The Chairman of our Audit/Risk and Compliance Committee has the accounting or related financial management expertise.

Independent Auditors as well as Internal Auditors always have independent meetings with the Audit/Risk and Compliance Committee and also participate in the Audit/Risk and Compliance Committee meetings.

Our CFO & Director and other Corporate Officers make periodic presentations to the Audit/Risk and Compliance Committee on various issues.

The Audit/Risk and Compliance Committee is comprised of the following three non-executive directors:

Mr. N. Vaghul Chairman of the Audit Committee

Mr. P. M. Sinha and B. C. Prabhakar Members of the Audit Committee

Our Audit/Risk and Compliance Committee held seven meetings during our 2010 fiscal year. The charter of the Audit/Risk and Compliance Committee is available under the investor relations section on our website at www.wipro.com.

Board Governance and Nomination Committee

In April 2009, the Board Governance and Compensation Committee was split into two separate committees and reconstituted as the Board Governance & Nomination Committee and the Compensation Committee. The charter of the Board Governance and Nomination Committee is available on our website under www.wipro.com. The Board Governance & Nomination Committee is comprised of the following four non-executive directors:

Dr. Ashok S. Ganguly Chairman of the Board Governance and Nomination Committee

Mr. N. Vaghul, P.M. Sinha and Bill Owens Members of the Board Governance and Nomination Committee

The primary responsibilities of the Board Governance and Nomination Committee are:

Develop and recommend to the Board Corporate Governance Guidelines applicable to the Company,

Evaluate the Board on a continuing basis including an assessment of the effectiveness of the full Board, operations of the Board Committees and contributions of individual directors,

Lay down policies and procedures to assess the requirements for induction of new members on the Board,

Implement policies and processes relating to corporate governance principles,

Ensure that appropriate procedures are in place to assess Board membership needs and Board effectiveness,

Review the Company's policies that relate to matters of Corporate Social Responsibility, including public issues of significance to the Company and its stakeholders,

Develop and recommending to the Board of Directors for its approval an annual evaluation process of the Board and its Committees, and

Formulate the Disclosure Policy, its review and approval of disclosures.

During the year 2009-10, our Board Governance and Nomination Committee held four meetings.

Compensation Committee

The members of the Compensation Committee are as follows:

Dr. Ashok S. Ganguly Chairman of the Board Governance and Compensation Committee

Mr. N. Vaghul and P.M. Sinha Members of the Board Governance and Compensation Committee

62

Table of Contents

The charter of the Compensation Committee is available on our website under www.wipro.com. The primary responsibilities of the Compensation Committee are:

Determine and approve salaries, benefits and stock option grants to senior management employees and Directors of our Company.

Approve and evaluate the compensation plans, policies and programs for Whole-time Directors and Senior Management.

Act as Administrator of the Company's Employee Stock Option Plans and Employee Stock Purchase Plans drawn up from time to time.

Our Executive Vice President-Human Resources makes periodic presentations to the Compensation Committee on compensation reviews and performance linked compensation recommendations. All members of the Compensation Committee are independent non-executive directors. During the year 2009-10, our Compensation Committee held four meetings.

Employees

As of March 31, 2009 and 2010, we had over 90,000 and over 108,000 employees including our subsidiaries and over 70,000 and over 77,000 IT professionals, respectively. Highly trained and motivated people are critical to the success of our business. To achieve this, we focus on attracting and retaining the best people possible. A combination of strong brand name, a congenial working environment and competitive compensation programs enables us to attract and retain these talented people.

Our human resources department is centralized at our corporate headquarters in Bangalore and functions across all of our business segments. We have implemented corporate-wide recruiting, training, performance evaluation and compensation programs that are tailored to address the needs of each of our business segments.

Our relationship with employees and employee groups are based on mutual trust and respect and we continue to maintain the same spirit at all times. We continue to fulfill all requirements and commitments which could arise out of collective bargaining as required across various development centers and manufacturing facilities and other such agreements in specific geographies across Americas, Europe and Asia.

Recruiting

We hire entry level graduates from both the top engineering and management universities in India, as well as more experienced lateral hires through employee referral programs, advertisements, placement consultants, our website postings and walk-ins. To facilitate employee growth within Wipro Limited, all new openings are first offered to our employees. The nature of work, skill sets requirements and experience levels are highlighted to the employees. Applicants undergo the regular recruitment process and, if selected, get assigned to their new roles.

Training

Each of our new recruits must attend an eight week intensive training program when they begin working with us. New or recent graduates must also attend additional training programs that are tailored to their area of technology. We also have a mandatory continuing education program that requires each IT professional to attend at least 40 hours of continuing education classes to improve their understanding and competency of new technologies, as well as to develop leadership and personal self-development skills. We supplement our continuing education program for existing employees by sponsoring special programs at leading educational institutions, such as the Indian Institute of Management, Bangalore, Birla Institute of Technology and Science, Pilani, Symbiosis Institute of Business Management, Pune and others, to provide special skill set training in areas such as Business Skills and Project management to any of our IT professionals who choose to enroll and meet the eligibility criteria of these Institutes.

Performance Evaluations

Employees receive written performance objectives that they develop in cooperation with their respective managers. They are measured against these criteria annually in a formal review process which includes self-reviews and reviews from peers, managers and subordinates.

Table of Contents**Compensation**

We continually strive to provide our employees with competitive and innovative compensation packages. Our compensation packages include a combination of salary, stock options, pension, and health and disability insurance. We measure our compensation packages against industry standards and seek to match or exceed them. We adopted an employee stock purchase plan in 1984, employee stock option plan in 1999 and 2000 and restricted stock unit option plan in 2004, 2005, 2007. We have devised both business segment performance and individual performance linked incentive programs that we believe more accurately link performance to compensation for each employee. For example, we link cash compensation to a business segment's quarterly operating margin objectives.

Share Ownership

The following table sets forth, as of September 30, 2010, for each director and executive officer, the total number of equity shares, ADSs and vested and unexercised options to purchase equity shares and ADSs. Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission. All information with respect to the beneficial ownership of any principal shareholder has been furnished by such shareholder and, unless otherwise indicated below, we believe that persons named in the table has sole voting and sole investment power with respect to all the shares shown as beneficially owned, subject to community property laws, where applicable. The shares beneficially owned by the directors include the equity shares owned by their family members to which such directors disclaim beneficial ownership. The number of shares beneficially owned includes equity shares, equity shares underlying ADSs and the shares subject to vested options that are currently exercisable. For the convenience of the readers, the stock option grant price has been translated into U.S. dollars based on the certified foreign exchange rates published by Federal Reserve Board of New York on March 31, 2010, which was Rs. 44.95 per \$1.00. The share numbers and percentages listed below are based on 2,451,995,801 equity shares outstanding as of September 30, 2010.

Name	Equity Shares beneficially owned	Percentage of Total Equity Shares Outstanding	Equity Shares Underlying Options Granted	Exercise Price(\$)	Date of expiration
Azim H. Premji ⁽¹⁾	1,935,110,430	78.91			
B. C. Prabhakar ⁽²⁾	5,000	*			
Dr. Jagdish Sheth					
Dr. Ashok S Ganguly	1,666				
N. Vaghul					
P. M. Sinha ⁽³⁾	33,333	*			
Suresh C. Senapaty	176,083	*	4,667	0.05	July 2012
			50,000	0.05	May 2014
Pratik Kumar	83,667	*	4,667	0.05	July 2012
			30,000	0.05	May 2014
			30,000	0.05	July 2016
Vineet Agrawal	229,699	*	4,667	0.05	July 2012
			40,000	0.05	May 2014
			40,000	0.05	July 2016
Suresh Vaswani	170,612	*	4,667	0.05	July 2012
			50,000	0.05	May 2014
			60,000	10.87	May 2014
			50,000	0.05	July 2016
S. Deb	63,333	*	4,000	0.05	July 2012
			18,000	0.05	May 2014

Edgar Filing: WIPRO LTD - Form 20-F

Girish S. Paranjpe	140,000	*	18,000	0.05	July 2016
			4,667	0.05	July 2012
			50,000	0.05	May 2014
			60,000	10.87	May 2014
T. K. Kurien	141,012	*	50,000	0.05	July 2016
			4,000	0.05	July 2012
			50,000	0.05	May 2014
			30,000	0.05	July 2016
Martha Bejar		*	50,000	0.05	October 2015
			16,600	0.05	July 2016
Anurag Behar	26,766	*	3,333	0.05	July 2012
			20,000	0.05	May 2014
Dr. Henning Kagermann					
William Arthur Owens					
Shyam Saran					

Table of Contents

- * Represents less than 1% of the total equity shares outstanding as of September 30, 2010.
- (1) Includes 543,765,000 shares held by Hasham Traders (a partnership), of which Mr. Premji is a partner, 541,695,000 shares held by Prazim Traders (a partnership), of which Mr. Premji is a partner, 540,408,000 shares held by Zash Traders (a partnership), of which Mr. Premji is a partner, 63,771,666 shares held by Napean Trading Investment Co. Pvt. Ltd., of which Mr. Premji is a director, 85,023,666 shares held by Regal Investments Trading Co. Pvt. Ltd., of which Mr. Premji is a director, 64,767,666

shares held by
Vidya
Investment
Trading Co. Pvt.
Ltd., of which
Mr. Premji is a
director,
95,679,432
shares held
jointly by
Mr. Premji and
members of his
immediately
family. In
addition
10,843,333
shares are held
by Azim Premji
Foundation
(I) Pvt. Ltd.
Mr. Premji
disclaims
beneficial
ownership of
10,843,333
shares held by
Azim Premji
Foundation (I)
Pvt. Ltd.

- (2) The shares are jointly held with an immediate family member of Mr. Prabhakar.
- (3) The shares are jointly held with an immediate family member of Mr. P.M. Sinha.

EMPLOYEE STOCK OPTION PLANS

We have various employee stock options and restricted stock unit option plans (collectively referred to as stock option plans). Our stock option plans provide for grants of options to eligible employees and directors. Our stock option plans are administered by our Compensation Committee (the Committee) appointed by our Board of Directors. The committee has the sole power to determine the terms of the units granted, including the exercise price, selection of eligible employees and directors, the number of equity shares to be covered by each option, the vesting and exercise periods, and the form of consideration payable upon such exercise. In addition, the committee has the authority to amend, suspend or terminate the stock plan with the approval of the shareholders, provided that no such action may

adversely affect the rights of any participant under the plan.

Our stock option plan generally does not allow for the transfer of options and only the optionee may exercise an option during his or her lifetime. The vesting period for the options under the plan(s) range from 12 months to not more than 84 months. An optionee generally must exercise any vested options within a prescribed period as per the respective stock option plans generally before termination date of the stock option plan. A participant must exercise any vested options prior to termination of the services with us and within a specified post-separation period generally within three months from the date of the separation. If an optionee's termination is due to death, disability or retirement, his or her option will fully vest and become exercisable.

The salient features of our stock plans are as follows:

Name of Plan	Authorized Shares ⁽¹⁾	Range of exercise prices	Effective date	Termination date	Other remarks
1999 Employee Stock option Plan	30,000,000	Rs. 171 490	July 29, 1999	July 28, 2009	There are no stock options outstanding under this plan
Wipro Employee Stock Option Plan 2000 (2000 Plan)	150,000,000	Rs. 171 490	September 15, 2000	September 15, 2020	In the event of our merger with or into another corporation or a sale of substantially all of our assets, each option under this plan, shall be proportionately adjusted to give effect to the merger or asset sale. There are no stock options outstanding under this plan.

Table of Contents

Name of Plan	Authorized Shares ⁽¹⁾	Range of exercise prices	Effective date	Termination date	Other remarks
Stock Option Plan (2000 ADS Plan)	9,000,000	\$ 3 7	September, 2000	September, 2010	In event of merger of the Company with other corporation or sale of substantially of all our assets, the successor corporation shall either assume the outstanding units or grant equivalent units to the holders. If the successor corporation neither assumes the outstanding units nor grants equivalent units, such outstanding units shall vest immediately, and become exercisable in full.
Wipro Restricted Stock Unit Plan (WRSUP 2004 plan)	12,000,000	Rs. 2	June 11, 2004	June 10, 2014	
Wipro ADS Restricted Stock Unit Plan (WARSUP 2004 plan)	12,000,000	\$0.04	June 11, 2004	June 10, 2014	
Wipro employee Restricted Stock Unit Plan 2005 (WSRUP 2005 plan)	12,000,000	Rs. 2	July 21, 2005	July 20, 2015	
Wipro employee Restricted Stock Unit Pl 2007 (WSRUP 2007 plan)	10,000,000	Rs. 2	July 18, 2007	July 17, 2017	

(1) Subject to adjustment for corporate action from time to time.

Wipro Equity Reward Trust

We established the Wipro Equity Reward Trust, or WERT, in 1984 to allow our employees to acquire a greater proprietary stake in our success and growth, and to encourage our employees to continue their association with us. The WERT, which is administered by a Board of Trustees is designed to give eligible employees the right to receive restricted shares and other compensation benefits at the times and on the conditions that we specify. Such compensation benefits include voluntary contributions, loans, interest and dividends on investments in the WERT and other similar benefits.

Shares from the WERT are issued in the joint names of the WERT and the employee until such restrictions and obligations are fulfilled by the employee. After the four-year period, complete ownership of the shares is transferred to the employee.

If employment is terminated by death, disability or retirement, his or her restricted shares are transferred to the employee's legal heirs or continue to be held by the employee, as the case may be, and such individuals may exercise any rights to those shares for up to ninety days after employment has ceased. The Trustees of the WERT have the authority to amend or terminate the WERT at any time and for any reason.

Item 7. Major Shareholders and Related Party Transactions**Major Shareholders**

The following table sets forth certain information regarding the beneficial ownership of our equity shares as of September 30, 2010, of each person or group known by us to own beneficially 5% or more of our outstanding equity shares.

Beneficial ownership is determined in accordance with the rules of the SEC and includes voting and investment power with respect to such shares. Shares subject to vested options that are currently exercisable are deemed to be outstanding or to be beneficially owned by the person holding such options for the purpose of computing the percentage ownership of such person, but are not deemed to be outstanding or to be beneficially owned for the purpose of computing the percentage ownership of any other person. All information with respect to the beneficial ownership of any principal shareholder has been furnished by such shareholder and, unless otherwise indicated below, we believe that persons named in the table have sole voting and sole investment power with respect to all the shares shown as beneficially owned, subject to community property laws, where applicable. The number of shares and percentage ownership are based on 2,451,995,801 equity shares outstanding as of September 30, 2010.

Name of Beneficial Owner	Class of Security	Number of Shares beneficially held as of September 30, 2010	% of Class
Azim H. Premji (1)	Equity	1,935,110,430	78.91
Hasham Traders	Equity	543,765,000	22.17
Prazim Traders	Equity	541,695,000	22.09
Zash Traders	Equity	540,408,000	22.03

- (1) Includes
543,765,000
shares held by
Hasham Traders
(a partnership),
of which
Mr. Premji is a
partner,
541,695,000
shares held by
Prazim Traders
(a partnership),
of which
Mr. Premji is a
partner,
540,408,000
shares held by
Zash Traders (a
partnership), of
which
Mr. Premji is a
partner,
63,771,666
shares held by

Table of Contents

Napean Trading
Investment Co.
Pvt. Ltd., of
which
Mr. Premji is a
director,
85,023,666
shares held by
Regal
Investments
Trading Co. Pvt.
Ltd., of which
Mr. Premji is a
director,
64,767,666
shares held by
Vidya
Investment
Trading Co. Pvt.
Ltd., of which
Mr. Premji is a
director,
95,679,432
shares held
jointly by
Mr. Premji and
members of his
immediately
family. In
addition
10,843,333
shares are held
by Azim Premji
Foundation
(I) Pvt. Ltd.
Mr. Premji
disclaims
beneficial
ownership of
10,843,333
shares held by
Azim Premji
Foundation (I)
Pvt. Ltd.

Our American Depositary Shares are listed on the New York Stock Exchange. Each ADS represents one equity share of par value Rs. 2 per share. Our ADSs are registered pursuant to Section 12(b) of the Securities Exchange Act of 1934 and, as of September 30, 2010, are held by approximately 14,023 holders of record in the United States.

Our equity shares can be held by Foreign Institutional Investors, or FIIs, and Non-resident Indians, or NRIs, who are registered with the Securities and Exchange Board of India, or SEBI, and the Reserve Bank of India, or RBI.

About 7.04% of the Company's equity shares were held by these FIIs, and NRIs as of September 30, 2010, some of which may be residents or corporate entities registered in the United States and elsewhere. We are unaware of whether FIIs, and/or NRIs hold our equity shares as residents or as corporate entities registered in the United States.

Our major shareholders do not have a differential voting right with respect to their equity shares. To the best of our knowledge, we are not owned or controlled directly or indirectly by any Government or by any other corporation. We are not aware of any arrangement, the operation of which may at a subsequent date result in a change in control, of our Company.

Related Party Transactions

Terms of Employment Arrangements and Indemnification Agreements. We are a party to various employment and indemnification agreements with our directors and executive officers. See *Terms of Employment Arrangements and Indemnification Agreements* under Item 6 of this Annual Report for a description of the agreements that we have entered into with our directors and executive officers.

Item 8. Financial Information

Consolidated Statements and Other Financial Information

Please refer the following financial statements and the Auditor's Report under item 18 in this Annual Report for the fiscal year ended March 31, 2010:

Report of the independent registered public accounting firm;

Consolidated Statements of Financial Position as of April 1, 2008, March 31, 2009 and 2010;

Consolidated Statements of Income for the years ended March 31, 2009 and 2010;

Consolidated Statements of Comprehensive Income for the years ended March 31, 2009 and 2010;

Consolidated Statements of Changes in Equity for the years ended March 31, 2009 and 2010;

Consolidated Statements of Cash Flows for the years ended March 31, 2009 and 2010; and

Notes to the Consolidated Financial Statements including Reconciliation Statements and Exemptions to which the Company has availed itself in accordance with IFRS 1.

The financial statements of the Company included in this Annual Report on Form 20-F have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Legal Proceedings

Please see the section titled *Legal Proceedings* under Item 4 of this Annual Report for this information.

Dividends

The public companies in India typically pay cash dividends even though the amount of such dividends varies from company to company. Under Indian law, a corporation can pay dividends upon a recommendation by the Board of

Table of Contents

Directors and approval by a majority of the shareholders, who have the right to decrease but not increase the amount of the dividend recommended by the Board of Directors. Under the Indian Companies Act, 1956, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits of previous fiscal years.

During fiscal 2009, we paid a final cash dividend of Rs. 4 per share. During the fiscal 2010, we paid a final cash dividend of Rs. 4 per share.

On April 23, 2010, our Board proposed a cash dividend of Rs. 6 (\$0.13) per equity share and ADR. This proposal was approved by our shareholders at the Annual General Meeting held on July 22, 2010 and a dividend of approximately Rs. 10,070 (including dividend tax) has subsequently been paid.

Our Board of Directors has approved a stock dividend, commonly known in India as an issue of Bonus Shares, which was approved by the shareholders through Postal Ballot on June 4, 2010. The stock dividend consisted of two equity shares for every three equity shares outstanding and two ADSs for every three ADSs outstanding on June 16, 2010 and a stock dividend was allotted accordingly. The stock dividend did not affect the ratio of ADSs to equity shares, such that each ADS after the stock dividend continues to represent one equity share of par value of Rs. 2 per share.

Although we have no current intention to discontinue dividend payments, we cannot assure you that any future dividends will be declared or paid or that the amount thereof will not be decreased. Holders of ADSs will be entitled to receive dividends payable on equity shares represented by such ADSs. Cash dividends on equity shares represented by ADSs are paid to the Depository in rupees and are generally converted by the Depository into U.S. dollars and distributed, net of depository fees, taxes, if any, and expenses, to the holders of such ADSs.

Significant Changes

None.

Item 9. The Offer and Listing**Price History**

Our equity shares are traded on The Stock Exchange, Mumbai or BSE and The National Stock Exchange of India Limited, or NSE. During the year we have obtained approval for de-listing our equity shares from the Kolkata Stock Exchange Association Limited. Our American Depositary Shares, as evidenced by American Depositary Receipts, or ADRs, are traded in the U.S. on the New York Stock Exchange, or NYSE, under the ticker symbol WIT. Each ADS represents one equity share. Our ADSs began trading on the NYSE on October 19, 2000.

As of September 30, 2010, we had 2,451,995,801 issued and outstanding equity shares. As of September 30, 2010, there were approximately 14,023 record holders of ADRs evidencing 41,083,220 ADSs equivalent to equity shares). As of September 30, 2010, there were approximately 222,470 record holders of our equity shares listed and traded on the Indian Stock Exchanges.

The following tables set forth for the periods indicated the price history of our equity shares and ADSs on the BSE, NSE and the NYSE. The stock prices for the prior periods are restated to reflect stock dividend issued by the Company from time to time.

Fiscal Year ended March 31,	BSE				NSE				NYSE	
	Price per equity share				Price per equity share				Price per ADS	
	High (Rs.)	Low (Rs.)	High (\$)	Low (\$)	High (Rs.)	Low (Rs.)	High (\$)	Low (\$)	High (\$)	Low (\$)
2010	753.00	240.00	16.75	5.34	755.85	240.15	16.82	5.34	24.29	6.90
2009	537.90	181.70	10.57	3.57	535.00	180.40	10.52	3.55	14.53	5.04
2008	600.00	325.00	14.99	8.12	635.00	324.00	15.87	8.10	17.24	9.85
2007	690.00	383.00	16.01	8.89	691.00	381.25	16.03	8.80	18.44	10.18
2006	573.00	285.55	12.88	6.41	585.90	272.00	13.17	8.65	22.38	9.62

Table of Contents

Quarter Ended	BSE				NSE				NYSE	
	Price per equity share				Price per equity share				Price per ADS	
	High (Rs.)	Low (Rs.)	High (\$)	Low (\$)	High (Rs.)	Low (Rs.)	High (\$)	Low (\$)	High (\$)	Low (\$)
September 30, 2010	452.00	327.85	10.06	7.29	454.40	372.10	10.11	8.28	14.89	11.75
June 30, 2010	419.22	228.69	9.33	5.09	405.54	380	9.02	8.45	13.8	7.15
March 31, 2010	753.00	535.00	16.75	11.90	755.85	630.15	16.82	14.02	24.29	19.10
December 31, 2009	699.00	548.50	15.55	12.20	699.9	548	15.57	12.19	23.00	17.00
September 30, 2009	605.00	362.30	13.46	8.06	605.9	365.5	13.48	8.13	17.99	10.62
June 30, 2009	454.00	240.00	10.10	5.34	459.95	240.15	10.23	5.34	13.00	6.90
March 31, 2009	261.40	195.00	5.14	3.83	263.8	196.50	5.19	3.86	8.75	5.04
December 31, 2008	351.70	181.70	6.91	3.57	364.40	180.40	7.16	3.55	9.98	5.66
September 30, 2008	460.90	317.00	9.06	6.23	465.00	320.10	9.14	6.29	12.18	8.88
June 30, 2008	537.90	402.00	10.57	7.90	535.00	401.10	10.52	7.88	14.53	10.89
Six Months Ended										
October 31, 2010	499.90	424.00	11.12	9.43	500.00	421.50	11.12	9.38	16.81	14.64
September 30, 2010	452.00	398.65	10.06	8.87	454.40	398.25	10.11	8.86	14.89	12.97
August 31, 2010	439.70	393.10	9.78	8.75	439.60	393.05	9.78	8.74	14.21	12.48
July 31, 2010	433.00	327.85	9.63	7.29	430.45	372.10	9.58	8.28	13.66	11.75
June 30, 2010	439.20	228.69	9.77	5.09	440.64	380	9.80	8.45	14.80	7.15
May 31, 2010	686.70	627.40	15.28	13.96	692.70	626.40	15.41	13.94	22.79	19.61

The \$ figure under BSE and NSE columns denote the share price in rupees converted to US \$ at the rate of exchange of 1 US\$ = Rs. 44.95

- (1) Source: BSE data was obtained from www.bseindia.com and NSE data was obtained from www.nseindia.com. NYSE data was obtained from www.finance.yahoo.com.

Plan of Distribution

Not applicable.

Markets

Trading Practices and Procedures on the Indian Stock Exchanges

BSE and NSE (Exchanges) together account for more than 90% of the total trading volume on the Indian Stock Exchanges. Trading on both of these exchanges is accomplished on electronic trading platforms. Trading is done on a two-day fixed settlement basis on all of the exchanges. Any outstanding amount at the end of the settlement period is settled by delivery and payment. However, institutional investors are not permitted to net out their transactions and must trade on a delivery basis.

Orders can be entered with a specified term of validity that may last until the end of the session, day or settlement period. Dealers must specify whether orders are for a proprietary account or for a client. Exchanges specify certain margin requirements for trades executed on the exchange, including margins based on the volume or quantity of exposure that the broker has on the market, as well as market-to-market margins payable on a daily basis for all outstanding trades. Trading on Exchanges normally takes place from 09:00 a.m. to 3:30 p.m. on all weekdays, except holidays. Exchanges do not permit carry forward trades. They have separate margin requirements based on the net exposure of the broker on the exchange. Exchanges also have separate online trading systems and separate clearing houses.

BSE and NSE were closed on a few occasions, in the interest of protection of investor interests, due to fluctuation in prices caused by various events from time to time. On January 22, 2008, the market tumbled in opening trade due to panic selling triggering the market wide circuit filter after the intra-day 10% fall. On November 27, 2008, due to terrorist attack in the city of Mumbai, the BSE and NSE were closed. On May 18, 2009, circuit filters were breached twice during the day and market closed for the day upon reaching 20% trigger point. When the markets hit the upper circuit limit on May 18, 2009, there was just a marginal fall in the index the following day.

The stock exchanges in India now operate on a trading day plus two, or T+2 rolling settlement systems. At the end of the T+2 period, obligations are settled with buyers of securities paying for and receiving securities, while sellers transfer and receive payment for securities. The SEBI has moved to a T+2 settlement system, and is subsequently planning to move to a T+1 settlement system.

In order to contain the risk arising out of the transactions entered into by the members in various securities either on their own account or on behalf of their clients, the largest exchanges have designed risk management procedures, which include compulsory prescribed margins on the individual broker members, based on their outstanding exposure in the

Table of Contents

market, as well as stock specific margins from the members. There are generally no restrictions on price movements of any security on any given day. In order to restrict abnormal price volatility, SEBI has instructed the stock exchanges to apply the following price bands, calculated at the previous day's closing price as follows:

Market-wide circuit breakers are applied to the market for movements by 10%, 15% and 20% for two prescribed market indices; the SENSEX for the BSE and the Nifty for the NSE. If any of these circuit breaker thresholds are reached, trading on all equity and equity derivatives markets nationwide is halted. This circuit breaker brings about a coordinated trading halt in all equity and equity derivative markets nationwide. The market wide circuit breakers would be triggered by movement of either SENSEX or the NSE S&P CNX Nifty whichever is breached earlier. In case of a 10% movement of either of these indices, there would be a 1-hour market halt if the movement takes place before 1 p.m. In case the movement takes place at or after 1 p.m. but before 2.30 p.m. there will be a trading halt for half an hour. In case the movement takes place at or after 2.30 p.m. there will be no trading halt at the 10% level and the market will continue trading. If there is a 15% movement of either index, there will be a 2-hour market halt if the movement takes place before 1 p.m. If the 15% trigger is reached on or after 1 p.m. but before 2 p.m., there will be a 1 hour halt. If the 15% trigger is reached on or after 2 p.m. the trading will halt for the remainder of the day. In case of a 20% movement of the index, the trading will be halted for the remainder of the day. The percentages are calculated on the closing index value of the quarter. These percentages are translated into absolute points of index variations (rounded off to the nearest 25 points in case of SENSEX). At the end of each quarter, these absolute points of index variations are revised and made applicable for the next quarter.

Index based market wide circuit breaker

The Exchange implements on a quarterly basis, the index based market wide circuit breaker system. The system is applicable at three stages of the index movement either way at 10%, 15% and 20%.

Listing

The SEBI has promulgated regulations for listing and is governed through circulars issued from time to time by amending the Listing Agreement entered into by listed companies with stock exchanges. The Stock Exchanges monitor the listed companies under the supervision of SEBI.

The National Stock Exchange of India Limited

The market capitalization of the capital markets (equities) segment of the NSE as of March 31, 2010 was approximately Rs. 33.10 trillion or approximately \$736 billion. The clearing and settlement operations of the NSE are managed by its wholly-owned subsidiary, the National Securities Clearing Corporation Limited. Funds settlement takes place through designated clearing banks. The National Securities Clearing Corporation Limited interfaces with the depositories on the one hand and the clearing banks on the other to provide delivery versus payment settlement for depository-enabled trades.

As of March 31, 2010, the NSE had about 1,300 members.

Bombay Stock Exchange Limited

The estimated aggregate market capitalization of stocks trading on the BSE as of March 31, 2010 was approximately Rs. 26.24 trillion or approximately \$584 billion. The BSE began allowing online trading in May 1995. As of March 31, 2010, the BSE had 1,017 members, comprised of 173 individual members, 821 Indian companies and 23 Foreign Institutional Investors. Only a member of the stock exchange has the right to trade in the stocks listed on the stock exchange.

Derivatives

Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivative exchange or derivative segment of a stock exchange functions as a self-regulatory organization under the supervision of the SEBI.

Depositories

The National Securities Depository Limited and Central Depository Services (India) Limited are the two depositories that provide electronic depository facilities for trading in equity and debt securities in India. The SEBI mandates that a company making a public or rights issue or an offer for sale to enter into an agreement with a depository for dematerialization of securities already issued or proposed to be issued to the public or existing shareholders. The SEBI

Table of Contents

has also provided that the issue and allotment of shares in initial public offerings and/or the trading of shares shall only be in electronic form.

Securities Transaction Tax

A brief description of the securities transaction tax and capital gains treatment under India law is provided under the section Taxation .

Item 10. Additional Information**Share Capital**

Our authorized share capital was Rs. 3,300,000,000 divided into 1,650,000,000 equity shares of Rs. 2/- each and 25,000,000 preference shares of Rs. 10/- each. As of March 31, 2010, 1,468,211,189 equity shares, par value Rs. 2 per share were issued, outstanding and fully paid. As of September 30, 2010, 2,451,995,801 equity shares, par value Rs. 2 per share were issued, outstanding and fully paid. We currently have no convertible debentures or warrants outstanding, except options outstanding under our employee stock option plans.

On June 4, 2010, the Company obtained shareholders approval to increase its authorized share capital from the existing limit of Rs. 3,550,000,000 to Rs. 5,550,000,000 to facilitate the issue of bonus equity shares.

Memorandum and Articles Of Association

Set forth below is a brief summary of the material provisions of our Articles of Association and the Indian Companies Act, 1956 all as currently in effect. Wipro Limited is registered under the Companies Act, with the Registrar of Companies, Karnataka, Bangalore, India, with Company No. 20800. The following description of our Articles of Association does not purport to be complete and is qualified in its entirety by the Memorandum and Articles of Association of Wipro Limited included as an exhibit to our Form 6-K filed with the Securities and Exchange Commission on July 6, 2010.

Our Articles of Association provide that the minimum number of directors shall be four and the maximum number of directors shall be fifteen As of September 30, 2010, we have 12 directors. Our Articles of Association provide that at least two-thirds of our directors shall be subject to retirement by rotation. One third of these directors must retire from office at each Annual General meeting of the shareholders. A retiring director is eligible for re-election. Up to one-third of our directors can be appointed as permanent directors. Currently, Azim H. Premji is a non-retiring director. The term of the office of our non-retiring director expires on July 30, 2011. Our Articles of Association do not mandate the retirement of our directors under an age limit requirement. Our Articles of Association do not require our Board members to be shareholders in our company.

Our Articles of Association provide that any director who has a personal interest in a transaction must disclose such interest, must abstain from voting on such transaction and may not be counted for purposes of determining whether a quorum is present at the meeting.

The remuneration payable to our directors may be fixed by our Board of Directors in accordance with provisions of the Indian Companies Act, 1956, and the rules and regulations prescribed by the Government of India.

Objects and Purposes of Our Memorandum of Association

The following is a summary of our existing Objects as set forth in Section 3 of our Memorandum of Association:

To undertake and carry on the business of providing all kinds of information technology based and enabled services in India and internationally, electronic remote processing services, eServices, including all types of Internet-based/ Web enabled services, transaction processing, fulfillment services, business support services including but not limited to providing financial and related services of all kinds and description including billing services, processing services, database services, data entry business-marketing services, business information and management services, training and consultancy services to businesses, organizations, concerns, firms, corporations, trusts, local bodies, states, governments and other entities; to establish and operate service processing centers for providing services for back office and processing requirements, marketing, sales, credit collection services for companies engaged in the business of remote processing and IT enabled services from a place of business in India or elsewhere, contacting and communicating to and on behalf of overseas customers by voice, data image, letters using dedicated international private lines to handle business process management, remote help desk management; remote management.

Table of Contents

To carry on business in India and elsewhere as manufacturer, assembler, designer, builder, seller, buyer, exporter, importer, factors, agents, hirers and dealers of computer hardware and software and any related aspects thereof.

To carry on all or any of the business of soap and candle makers, tallow merchants, chemists, druggists, dry salters, oil-merchants, manufacturers of dyes, paints, chemicals and explosives and manufacturers of and dealers in pharmaceutical, chemical, medicinal and other preparations or compounds, perfumery and proprietary articles and photographic materials and derivatives and other similar articles of every description.

To carry on business as manufacturers, sellers, buyers, exporters, importers, and dealers of fluid power products.

To carry on the business of extracting manufacturing and dealing in hydrogenated vegetable oil.

To carry on any other trade or business whatsoever as can in the opinion of us be advantageously or conveniently carried on by us.

To carry on the business of solutions for water treatment including but not limited to ultra pure water, waste water treatment, water reuse, desalination and related activities.

To carry on the business of renewable energy systems and food and agricultural product processing and related industries,

Borrowings Power Exercisable by the Directors

The Board of Directors has the authority to borrow funds up to a limit of one time the Company's paid-up capital and free reserves. Borrowings beyond this limit will require the approval of the shareholders of the Company.

Number of Shares Required for Director's Qualification

Directors are not required to hold shares in the Company as a pre-requisite to serving on the Board of Directors.

Description of Equity Shares

Dividends

Under the Indian Companies Act, 1956, unless our Board of Directors recommends the payment of a dividend, we may not declare a dividend. Similarly, under our Articles of Association, although the shareholders may, at the Annual General meeting, approve a dividend in an amount less than that recommended by the Board of Directors, they cannot increase the amount of the dividend. In India, dividends are declared as a fixed sum per share on the company's equity shares. The dividend recommended by the Board, if any, and subject to the limitations described above, is distributed and paid to shareholders in proportion to the paid up value of their shares within 30 days of the approval by the shareholders at the Annual General meeting. Pursuant to our Articles of Association, our Board of Directors has discretion to declare and pay interim dividends without shareholder approval. Under the Indian Companies Act, 1956, read with the listing agreements entered into with Indian stock exchanges, dividends can only be paid in cash to the registered shareholder at a record date fixed on or prior to the Annual General meeting or to his order or his banker's order.

The Companies Act provides that any dividends that remain unpaid or unclaimed are to be transferred to the Investor Education and Protection Fund created by the Indian Government after the stipulated time. Under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits of previous fiscal years subject to transfer of a portion. Before declaring a dividend greater than 10% of the par value of its equity shares, a company is required under the Companies Act to transfer to its reserves a minimum percentage of its profits for that year, ranging from 2.5% to 10%, depending upon the dividend percentage to be declared in such year.

The Companies Act further provides that, in the event of an inadequacy or absence of profits in any year, a dividend may be declared for such year out of the company's accumulated profits, subject to the fulfillment

of certain conditions.

We are subject to taxation for each dividend declared, distributed or paid for a relevant period by our company.

72

Table of Contents

Bonus Shares

In addition to permitting dividends to be paid out of current or retained earnings as described above, the Companies Act permits a company to distribute an amount transferred from the general reserve or other permitted reserves, including share premium account and surplus in the company's profit and loss account, to its shareholders in the form of bonus shares (similar to a stock dividend). Bonus shares are distributed to shareholders in the proportion recommended by the Board of Directors to such shareholders on a fixed record date when they are entitled to receive such bonus shares.

Audit and Annual Report

At least 21 days before the Annual General Meeting of shareholders (excluding the days of mailing and date of the meeting.), we must distribute to our shareholders a our audited Indian GAAP balance sheet and profit and loss account and the related reports of our Board of Directors and the Auditors, together with a notice convening the general meeting. SEBI has permitted dispatch of abridged financial statements to shareholders in India in lieu of detailed version of financial statements. Under the Companies Act, a company must file the balance sheet and annual profit and loss account presented to the shareholders within 30 days of the conclusion of the Annual General Meeting with the Registrar of Companies.

A company must also file an annual return containing a list of the company's shareholders and other company information within 60 days of the conclusion of the meeting.

Consolidation and Subdivision of Shares

The Indian Companies Act permits a company to split or combine the par value of its shares, provided such split or combination is not made in fractions. Shareholders of record on a fixed record date are entitled to receive the split or combination.

Preemptive Rights, Issue of Additional Shares and Distribution of Rights

The Companies Act gives shareholders the right to subscribe for new shares in proportion to their respective existing shareholdings (unless otherwise determined by a special resolution passed by a General Meeting of the shareholders) and the right, to renounce such subscription right in favor of any other person; Holders of ADSs may not be permitted to participate in any such offer.

If we ever plan to distribute additional rights to purchase our equity shares, we will give prior written notice to the depository bank and we will assist the depository bank in determining whether it is lawful and reasonably practicable to distribute rights to purchase additional ADSs to holders.

The depository bank will establish procedures to distribute rights to purchase additional ADSs to holders and to enable such holders to exercise such rights if it is lawful and reasonably practicable to make the rights available to holders of ADSs, subject to all of the documentation contemplated in the deposit agreement (such as opinions to address the lawfulness of the transaction). You may have to pay fees, expenses, taxes and other governmental charges to subscribe for the new ADSs upon the exercise of your rights. The depository bank is not obligated to establish procedures to facilitate the distribution and exercise by holders of rights to purchase new equity shares directly, rather than new ADSs.

The depository bank will not distribute the rights to you if:

we do not timely request that the rights be distributed to you or we request that the rights not be distributed to you;

we fail to deliver satisfactory documents to the depository bank; or

it is not reasonably practicable to distribute the rights.

The depository bank will sell the rights that are not exercised or not distributed if such sale is lawful and reasonably practicable. The proceeds of such sale will be distributed to holders as in the case of a cash distribution. If the depository bank is unable to sell the rights, it will allow the rights to lapse.

Voting Rights

At any General Meeting, voting is by show of hands unless a poll is demanded by a shareholder or shareholders present in person or by proxy holding at least 10% of the total shares entitled to vote on the resolution or by those

holding shares with an aggregate paid up capital of at least Rs. 50,000. Upon a show of hands, every shareholder entitled to vote and present in person has one vote and, on a poll, every shareholder entitled to vote and present in person or by proxy has voting rights in proportion to the paid up capital held by such shareholders. The Chairman of the Board has a deciding vote in the case of any tie. Any shareholder of the company may appoint a proxy. The instrument appointing a proxy must be

Table of Contents

delivered to the company at least 48 hours prior to the meeting. A proxy may not vote except on a poll. A corporate shareholder may appoint an authorized representative who can vote on behalf of the shareholder, both upon a show of hands and upon a poll.

Ordinary resolutions may be passed by simple majority of those present and voting at any General Meeting for which the required period of notice has been given. However, certain resolutions called special resolutions in many instances for example amendments to the Articles of Association and changes to certain clauses in the Memorandum of Association, the commencement of a new line of business, etc require that votes cast in favor of the resolution (whether by show of hands or poll) are not less than three times the number of votes, if any, cast against the resolution.

Liquidation Rights

Subject to the rights of creditors, employees and the holders of any shares entitled by their terms to preferential repayment over the equity shares, if any, in the event of our winding-up, the holders of the equity shares are entitled to be repaid the amounts of paid up capital or credited as paid up on those equity shares. All surplus assets after payments to the holders of any preference shares at the commencement of the winding-up shall be paid to holders of equity shares in proportion to their shareholdings.

Preference Shares

Preference shares have preferential dividend and liquidation rights. Preference shares may be redeemed if they are fully paid, and only out of our profits, or out of the proceeds of the sale of shares issued for purposes of such redemption. Holders of preference shares do not have the right to vote at shareholder meetings, except on resolutions which directly affect the rights of their preference shares. However, holders of cumulative preference shares have the right to vote on every resolution at any meeting of the shareholders if the dividends due on the preference shares have not been paid, in whole or in part, for a period of at least two years prior to the date of the meeting. Currently, we have no preference shares issued and outstanding.

Redemption of Equity Shares

Under the Companies Act, unlike preference shares, equity shares are not redeemable.

Liability on Calls

Not applicable.

Discriminatory Provisions in Articles

There are no provisions in our Articles of Association discriminating against any existing or prospective holder of such securities as a result of such shareholder owning a substantial number of shares.

Alteration of Shareholder Rights

Under the Companies Act, the rights of any class of shareholders can be altered or varied with the consent in writing of the holder of not less than three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class if the provisions with respect to such variation are contained in the Memorandum of Association or Articles of Association of the Company, or in the absence of any such provision in the Memorandum of Association or Articles of Association, if such variation is not prohibited by the terms of issue of the shares of that class.

Under the Companies Act, the Articles of Association may be altered only by way of a special resolution.

Meetings of Shareholders

We must convene an Annual General meeting of shareholders within six months after the end of each fiscal year and may convene an extraordinary general meeting of shareholders when necessary or at the request of a shareholder or shareholders holding at least 10% of our paid up capital carrying voting rights. The Annual General meeting of the shareholders is generally convened by our Secretary pursuant to a resolution of our Board of Directors. Written notice setting out the agenda of the meeting must be given at least 21 days, excluding the days of mailing and date of the meeting, prior to the date of the general meeting to the shareholders of record. Shareholders who are registered as shareholders on a pre-determined date are entitled to such notice or their proxies and have a right to attend or vote at such meeting. The Annual General meeting of shareholders must be held at our registered office or at such other place within the city in which the registered office is located. Meetings other than the Annual General meeting may be held at any other place if so

Table of Contents

determined by our Board of Directors. Our Articles of Association provide that a quorum for a general meeting is the presence of at least five shareholders in person.

Additionally, shareholder consent for certain items or special business is required to be obtained by a postal ballot. In order to obtain the shareholders' consent, our Board of Directors appoints a scrutinizer, who is not in our employment, who, in the opinion of the Board, can conduct the postal ballot voting process in a fair and transparent manner in accordance with the provisions of Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

Limitations on the Rights to Own Securities

The limitations on the rights to own securities imposed by Indian law, including the rights of non-resident or foreign shareholders to hold the securities, are discussed in Item 10 of this Annual Report, under the section titled Currency Exchange Controls and is incorporated herein by reference.

Voting Rights of Deposited Equity Shares Represented by ADSs

As soon as practicable after receipt of notice of any meetings or solicitation of consents or proxies of holders of shares or other deposited securities, our Depository shall fix a record date for determining the holders entitled to give instructions for the exercise of voting rights. The Depository shall then mail to the holders of ADSs a notice stating (a) such information as is contained in such notice of meeting and any solicitation materials, (b) that each holder on the record date set by the Depository therefore will be entitled to instruct the Depository as to the exercise of the voting rights, if any, pertaining to the deposited securities represented by the ADSs evidenced by such holders of ADRs, and (c) the manner in which such instruction may be given, including instructions to give discretionary proxy to a person designated by us.

On receipt of the aforesaid notice from the Depository, our ADS holders may instruct the Depository on how to exercise the voting rights for the shares that underlie their ADSs. For such instructions to be valid, the Depository must receive them on or before a specified date.

The Depository will try, as far as is practicable, and subject to the provisions of Indian law and our Memorandum of Association and our Articles of Association, to vote or to have its agents vote the shares or other deposited securities as per our ADS holders' instructions. The Depository will only vote or attempt to vote as per an ADS holder's instructions. The Depository will not itself exercise any voting discretion.

Neither the Depository nor its agents are responsible for any failure to carry out any voting instructions, for the manner in which any vote is cast, or for the effect of any vote. There is no guarantee that our shareholders will receive voting materials in time to instruct the Depository to vote and it is possible that ADS holders, or persons who hold their ADSs through brokers, dealers or other third parties, will not have the opportunity to exercise a right to vote.

Register of Shareholders; Record Dates; Transfer of Shares

We maintain a register of our shareholders in electronic form through the National Securities Depository Limited and the Central Depository Services (India) Ltd. For the purpose of determining the shares entitled to annual dividends, the register is closed for a specified period prior to the Annual General meeting. The date on which this period begins is the record date. To determine which shareholders are entitled to specified shareholder rights, we may close the register of shareholders. The Companies Act requires us to give at least seven days' prior notice to the public before such closure. We may not close the register of shareholders for more than thirty consecutive days, and in no event for more than forty-five days in a year. Trading of our equity shares, however, may continue while the register of shareholders is closed.

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. The requirement to hold the equity shares in book-entry form will apply to the ADS holders when the equity shares are withdrawn from the depository facility upon surrender of the ADSs. In order to trade the equity shares in the Indian market, the withdrawing ADS holder will be required to comply with the procedures described above.

Following the introduction of the Depositories Act, 1996, and the repeal of Section 22A of the Securities Contracts (Regulation) Act, 1956, which enabled companies to refuse to register transfers of shares in some circumstances, the equity shares of a public company are freely transferable, subject only to the provisions of Section 111A of the Companies Act. Since we are a public company, the provisions of Section 111A will apply to us. Our Articles of Association currently contain provisions which give our directors discretion to refuse to register a

transfer of shares in some circumstances. Furthermore, in accordance with the provisions of Section 111A(2) of the Companies Act, our directors may refuse to register a transfer of shares if they have sufficient cause to do so. If our directors refuse to register a transfer of shares, the shareholder wishing to transfer his, her or its shares may file a civil suit or an appeal with the Company Law Board or National Company Law Tribunal.

Table of Contents

Pursuant to Section 111A(3), if a transfer of shares contravenes any of the provisions of the Indian Securities and Exchange Board of India Act, 1992, or the regulations issued thereunder, or the Indian Sick Industrial Companies (Special Provisions) Act, 1985, or any other Indian laws, the Company Law Board or National Company Law Tribunal may, on application made by the Company, a depository incorporated in India, an investor, the Securities and Exchange Board of India or other parties, direct the rectification of the register of records. Under the Companies Act, unless the shares of a company are held in a dematerialized form, a transfer of shares is effected by an instrument of transfer in the form prescribed by the Companies Act and the rules thereunder together with delivery of the share certificates. Our transfer agent for our equity shares is Karvy Computershare Pvt. Limited located in Hyderabad, India.

Company Acquisition of Equity Shares

Under the Companies Act, the Company can reduce its Company's share capital subject to fulfillment of conditions. A company is not permitted to acquire its own shares for treasury operations.

Disclosure of Ownership Interest

Section 187C of the Indian Companies Act requires beneficial owners of shares of Indian companies who are not holders of record to declare to the company details of the beneficial owner.

Provisions on Changes in Capital

Our authorized capital can be altered by an ordinary resolution of the shareholders in a General Meeting. The additional issue of shares is subject to the preemptive rights of the shareholders and provisions governing the issue of additional shares are discussed in Item 10 of this Annual Report. In addition, a company may increase its share capital, consolidate its share capital into shares of larger face value than its existing shares or sub-divide its shares by reducing their par value, subject to an ordinary resolution of the shareholders in a General Meeting.

Takeover Code and Listing Agreements

Under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, or Takeover Code, upon the acquisition of more than 5%, 10%, 14%, 54% or 74% of the outstanding shares or voting rights of a publicly-listed Indian company, a purchaser is required to notify the company and the company and the purchaser is required to notify all the stock exchanges on which the shares of such company are listed. An ADS holder would be subject to these notification requirements.

Upon the acquisition of 15% or more of such shares or voting rights, or a change in control of the company, the purchaser is required to make an open offer to the other shareholders, offering to purchase 20% of all the outstanding shares of the company or such number of shares that will result in the public shareholding not falling below the minimum public holding requirement, whichever is lower. SEBI has recently amended the Takeover Code to relax any of the provisions of the Takeover Code if the Directors of the Company have been removed by the Government or statutory authority and new Directors appointed by the Government or statutory authority provided the new Directors have devised a plan providing for transparent, open and competitive process of bidding for continued operations of the Company and for smooth takeover by an acquirer. Since we are a listed company in India, the provisions of the Takeover Code will apply to us. However, the Takeover Code provides for a specific exemption from this provision to an ADS holder and states that this provision will apply to an ADS holder only once he or she converts the ADSs into the underlying equity shares. However, the acquisition of ADSs (irrespective of conversion into underlying equity shares) is subject to disclosure and reporting requirements under the Takeover Code.

A listed company can be delisted under the provisions of the SEBI (Delisting of Securities) Guidelines, 2003, which govern voluntary and compulsory delisting of shares of Indian companies from the stock exchanges.

Material Contracts

We are a party to various employment arrangements and indemnification agreements with our directors and executive officers. See **Terms of Employment Arrangements and Indemnification Agreements** under Item 6 of this Annual Report for a further description of the employment arrangements and indemnification agreements that we have entered into with our directors and executive officers.

Currency Exchange Controls

Foreign Investments in India are governed by the provisions the Foreign Exchange Management Act (FEMA) 1999 and are subject to the Regulations issued by the Reserve Bank of India from time to time. The Foreign Direct Investment Scheme under the Reserve Bank's Automatic Route enables Indian Companies (other than those

specifically excluded in the scheme) to issue shares to persons resident outside India without prior permission from the RBI, subject to

Table of Contents

certain conditions. General permission has been granted for the transfer of shares and convertible debentures by a person resident outside India as follows: (i) for transfers of shares or convertible debentures held by a person resident outside India other than NRI, to any person resident outside India and (ii) NRIs are permitted to transfer shares or convertible debentures of Indian company to other NRIs. General permission has also been given for transfers between a person resident in India and a person resident outside India subject to stipulated conditions.

In cases where such conditions are not met, approval of the Central Government and the Reserve Bank of India may be also required.

Banks in India may now allow remittance from India by a person resident in India up to USD 200,000, per financial year, for any permitted current or capital account transaction or a combination of both.

General

Shares of Indian companies represented by ADSs may be approved for issuance to foreign investors by the Government of India under the Issue of Foreign Currency Convertible Bonds and Equity Shares (through Depository Receipt Mechanism) Scheme, 1993, or the 1993 Regulation, as modified from time to time, promulgated by the Government of India. The 1993 Regulation is distinct from other policies or facilities, as described below, relating to investments in Indian companies by foreign investors. The issuance of ADSs pursuant to the 1993 Regulation also affords to holders of the ADSs the benefits of Section 115AC of the Indian Income Tax Act, 1961 for purposes of the application of Indian tax law.

A registered broker is permitted to purchase shares of an Indian company on behalf of a person resident outside of India for the purpose of converting those shares into ADSs/GDSs. However, such conversion is subject to compliance with the provisions of the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme 1993 and the periodic guidelines issued by the Central Government. This would mean that ADSs converted into Indian shares may be converted back into ADSs, subject to the limits of sectoral caps.

The Operative Guidelines for the limited two-way fungibility under the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme 1993 has also been approved by the Government of India.

These guidelines provide that a re-issuance of ADSs/GDSs is permitted to the extent that ADSs/GDSs, have been redeemed for underlying shares and sold in the domestic market. The re-issuance must be within the specified limits. The conditions to be satisfied in this regard are: (i) the shares are purchased on a recognized stock exchange; (ii) the Indian company has issued ADS/GDS, (iii) the shares are purchased with the permission of the custodian of the ADSs/GDSs of the Indian company and are deposited with the custodian; (iv) the number of shares so purchased shall not exceed the number of ADSs/GDSs converted into underlying shares pursuant to conversion of ADS into equity shares under the Depository Agreement and (v) investor and other intermediaries comply with the provisions of 1993 Scheme and related guidelines issued from time to time.

Transfer of ADSs and Surrender of ADSs

A person resident outside India may transfer the ADSs held in Indian companies to another person resident outside India without any permission. An ADS holder is permitted to surrender the ADSs held by him in an Indian company and to receive the underlying equity shares under the terms of the Deposit Agreement. Under Indian regulations, the re-deposit of these equity shares with the depository to ADSs may not be permitted.

Sponsored ADS

The amendment to the FEMA regulations permit an issuer in India to sponsor the issue of ADSs through an overseas depository against underlying equity shares accepted from holders of its equity shares in India for offering outside of India. The sponsored issue of ADSs was possible only if the following conditions are satisfied:

There have been amendments to the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism), Scheme 1993 and primarily the amendments were on the Eligibility of Issuer, Eligibility of Subscriber, Pricing of the offerings, and Voting Rights,

the ADS offering is approved by the FIPB;

the ADS offering is approved by a special resolution of the shareholders of the issuer in a general meeting;

the facility is made available to all the equity shareholders of the issuer;

Table of Contents

the proceeds of the offering are repatriated into India within one month of the closing of the offering;

the sales of the existing equity shares are made in compliance with the Foreign Direct Investment Policy in India;

the number of shares offered by selling shareholders are subject to limits in proportion to the existing holdings of the selling shareholders when the offer is oversubscribed; and

the offering expenses do not exceed 7% of the offering proceeds and are paid by shareholders on a pro-rata basis.

The issuer is also required to furnish a report to the RBI specifying the details of the offering, including the amount raised through the offering, the number of ADSs issued, the underlying shares offered and the percentage of equity in the issuer represented by the ADSs.

Conditions for issuance of ADS/GDS outside India by Indian Companies

Eligibility of issuer: An Indian Company, which is not eligible to raise funds from the Indian Capital Market including a company which has been restrained from accessing the securities market by the Securities and Exchange Board of India (SEBI) will not be eligible to issue ADS/GDS apart from Foreign Currency Convertible Bonds.

Eligibility of subscriber: Erstwhile Overseas Corporate Bodies (OCBs) who are not eligible to invest in India through the portfolio route and entities prohibited to buy, sell or deal in securities by SEBI will not be eligible to subscribe to (i) Foreign Currency Convertible Bonds and (ii) ADS/GDS

Pricing: The pricing of ADS/GDS and Foreign Currency Convertible Bonds should not be less than the average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the two weeks preceding the relevant date.

The relevant date means date of the meeting in which the Board of the company or the Committee of Directors duly authorized by the Board of the company decides to open the proposed issue.

Foreign Direct Investment

Over a period of time, and particularly since 1991, the Government of India has relaxed the restrictions on foreign investment and most industry sectors do not require prior approval of the FIPB or RBI if the percentage of equity holding by all foreign investors do not exceed specified industry specific thresholds. Moreover, the Government of India recently relaxed the thresholds for approval of FIPB for total foreign equity inflow and such approval will be required only for such inflow of Rs. 12,000 million and above. Purchases by foreign investors of ADSs are treated as direct foreign investment in the equity issued by Indian companies for such offerings. Foreign investment up to 100% of company's share capital is currently permitted in the IT industry. Government of India has recently clarified about the calculation of foreign investment in an Indian Company through direct or indirect routes for such investment.

Investment by Non-Resident Indians

A variety of facilities for making investments in shares of Indian companies is available to individuals of Indian nationality or origin residing outside India, or NRIs. These facilities permit NRIs to make portfolio investments in shares and other securities of Indian companies on a basis that is not generally available to other foreign investors. A Non-Resident Indian (NRI) or a Person of Indian Origin (PIO) resident outside India may invest by way of contribution to the capital of a firm or a proprietary concern in India on a non-repatriation basis. These facilities are different and distinct from investments by Foreign Direct Investors described above. Indian companies are now allowed, without prior Government of India approval, to invest in joint ventures or wholly-owned subsidiaries outside India. The amount invested may not exceed four times the net worth of the company or its equivalent in a financial year. RBI no longer recognizes Overseas Corporate Bodies, or OCBs as an eligible class of investment vehicle under various routes and schemes under the foreign exchange regulations.

NRIs are permitted to make investments through a stock exchange, or Portfolio Investments on favorable tax and other terms under India's Portfolio Investment Scheme. Under the scheme, an NRI can purchase up to 5% of the paid up value of the shares issued by a company, subject to the condition that the aggregate paid up value of shares

purchased by all NRIs does not exceed 10% of the paid up capital of the company. The 10% ceiling may be exceeded if a special resolution is passed in a general meeting of the shareholders of a company, subject to the overall ceiling of Foreign Direct Investment limit.

Table of Contents

In terms of Schedule 1 of the Notification No. FEMA 20/2000-RB dated May 3, 2000, a person resident outside India can purchase equity shares / compulsorily convertible preference shares and compulsorily convertible debentures (equity instruments) issued by an Indian company under the FDI policy and the Indian company is allowed to receive the amount of consideration in advance towards issue of such equity instruments, subject to the terms and conditions laid down therein. Further, general permission is available to Indian companies to refund the amounts received towards purchase of shares under Regulation 5 (1) of Notification No. FEMA 20/2000-RB dated May 3, 2000, as amended from time to time. Reserve Bank of India vide circular No.20 dated December 14, 2007 decided that with effect from November 29, 2007, the equity instruments should be issued within 180 days of the receipt of the inward remittance. In case, the equity instruments are not issued within 180 days from the date of receipt of the inward remittance or date of debit to the NRE/FCNR (B) account, the amount of consideration so received should be refunded immediately to the non-resident investor by outward remittance through normal banking channels or by credit to the NRE/FCNR (B) account, as the case may be or approach Reserve Bank of India with an action plan for allotment of equity shares.

It is also clarified that the advances against equity instruments may be received only where the FDI is allowed under the automatic route.

Investment by Foreign Institutional Investors

In September 1992, the Government of India issued guidelines which enable foreign institutional investors or FIIs, including institutions such as pension funds, investment trusts, asset management companies, nominee companies and incorporated/institutional portfolio managers, to invest in all the securities traded on the primary and secondary markets in India. Under the guidelines, FIIs are required to obtain an initial registration from the SEBI and a general permission from the RBI to engage in transactions regulated under FEMA. FIIs must also comply with the provisions of the SEBI Foreign Institutional Investors Regulations, 1995.

Ownership Restrictions

The limit of FII investment in a company has been linked to sectoral caps/statutory ceiling as applicable to the concerned industry subject to obtaining the approval of the shareholders by a special resolution. NRIs in aggregate may hold no more than 24% of a company's equity shares, (subject to obtaining the approval of the shareholders by a special resolution) excluding the equity shares underlying the ADSs. Furthermore, SEBI regulations provide that no single FII may hold more than 10% of a company's total equity shares and no single NRI may hold more than 5% of a company's total equity shares. There is uncertainty under Indian law about the tax regime applicable to FIIs which hold and trade ADSs. FIIs are urged to consult with their Indian legal and tax advisers about the relationship between the FII guidelines and the ADSs and any equity shares withdrawn upon surrender of ADSs.

Overseas investment Liberalization

Regulation 6 of the Notification No.FEMA.120/RB-2004 dated July 7, 2004 to read with Circular No. 42 dated May 12, 2005 and dated Sep 26, 2007 of Reserve Bank of India in terms of which an Indian entity was permitted to invest up to 400 per cent of their net worth in overseas Joint Ventures and/or Wholly Owned Subsidiaries (JV/WOS) in any bonafide business activity under automatic route.

It was further clarified by the Reserve Bank of India that the ceiling is not applicable to the investments made out of balances held in EEFC accounts and out of the proceeds of ADR / GDR issue, as hitherto. This enables Authorized Dealers to allow remittances under automatic route up to 400 per cent of the net worth as on the date of the last audited balance sheet of the investing companies, after considering the proposals received from such companies.

Taxation

The following summary is based on the law and practice of the Indian Income-tax Act, 1961, or Income-Tax Act, including the special tax regime contained in Sections 115AC and 115ACA of the Income-tax Act read with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended on, January 19, 2000, or the Issue of Foreign Currency Convertible bonds and Ordinary Shares Scheme. The Income-tax Act is amended every year by the Finance Act of the relevant year. Some or all of the tax consequences of Sections 115AC and 115ACA may be amended or changed by future amendments to the Income-tax

Act.
We believe this information is materially complete as of the date hereof, however, this summary is not intended to constitute a complete analysis of the individual tax consequences to non-resident holders or employees under Indian law for the acquisition, ownership and sale of ADSs and equity shares.

Residence. For purposes of the Income-tax Act, an individual is considered to be a resident of India during any fiscal year if he or she is in India in that year for:

Table of Contents

a period or periods amounting to 182 days or more; or

60 days or more and, within the four preceding years has been in India for a period or periods amounting to 365 days or more.

The period of 60 days referred to above shall be read as 182 days (i) in case of a citizen of India who leaves India in a fiscal year for the purposes of employment outside of India or (ii) in case of a citizen of India or a person of Indian origin living abroad who visits India and within the four preceding years has been in India for a period or periods amounting to 365 days or more.

A company is a resident of India if it is incorporated in India or the control and the management of its affairs is situated wholly in India. Companies that are not residents of India would be treated as non-residents for purposes of the Income-tax Act.

Taxation of Distributions. As per Section 10(34) of the Income Tax Act, dividends paid by Indian Companies on or after April 1, 2003 to their shareholders (whether resident in India or not) are not subject to tax. However, the Company paying the dividend is currently subject to a dividend distribution tax of 15% on the total amount it distributes, declares or pays as a dividend, in addition to the normal corporate tax. Additionally, the Finance Act, 2006 levies a surcharge of 10% on such tax and an additional surcharge called an education cess of 3% on such tax and surcharge, after which the dividend distribution tax payable would be 17%. Finance Act 2010 has reduced the rate of surcharge to 7.5% from the present rate of 10%.

Any distributions of additional ADSs or equity shares to resident or non-resident holders will not be subject to Indian tax.

Taxation of Capital Gains. The following is a brief summary of capital gains taxation of non-resident holders and resident employees in respect of the sale of ADSs and equity shares received upon redemption of ADSs. The relevant provisions are contained mainly in sections 45, 47(vii)(a), 115AC and 115ACA, of the Income Tax Act, in conjunction with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares Scheme.

Gains realized upon the sale of ADSs and shares that have been held for a period of more than thirty-six months and twelve months, respectively, are considered long-term capital gains. Gains realized upon the sale of ADSs and shares that have been held for a period of thirty six months or less and twelve months or less, respectively, are considered short term capital gains. Capital gains are taxed as follows:

Gains from a sale of ADSs outside India, by a non-resident to another non-resident are not taxable in India.

Long-term capital gains realized by a resident employee from the transfer of the ADSs will be subject to tax at the rate of 10%. Short-term capital gains on such a transfer will be taxed at graduated rates with a maximum of 30%.

Long-term capital gains realized by a non-resident upon the sale of equity shares obtained through the redemption of ADSs, or settlement of such sale being made off a recognized stock exchange, are subject to tax at a rate of 10%. Short-term capital gains on such transfer will be taxed at graduated rates with a maximum of 30%.

Long-term capital gains realized by a non-resident upon the sale of equity shares obtained through the redemption of ADSs, or settlement of such sale being made on a recognized stock exchange, is exempt from tax and the Short-term capital gains on such sale will be taxed at 15%. An additional tax called Securities Transaction Tax, or STT (described in detail below) will be levied at the time of settlement.

Finance Act (No.2) 2009 has abolished surcharge for individual tax payers effective as of April 1, 2009. In the case of resident corporations whose turnover exceeds Rs. 10,000,000 during the relevant financial year, in addition to the above rates, a surcharge of 10% will be levied on the above taxes (Finance Act 2010 reduced this surcharge to 7.5%, effective as of April 1, 2010). An additional surcharge called education cess of 3% on the above tax and surcharge is payable in the case of all the assesses.

The above rates may be reduced by the applicable tax treaty in case of non-residents. The capital gains tax is computed by applying the appropriate tax rates to the difference between the sale price and the purchase price of the equity shares or ADSs. In the case of employees who receive shares allotted as part of a company's stock option plan, the purchase price shall be the fair market value which has been taken into account for the purpose of computing the perquisite on salaries. In 1992, the Government allowed established Indian Companies to issue foreign currency convertible bonds (FCCB). Effective April 2008, the conversion of FCCB's into shares or debentures of any company shall not be treated as a

Table of Contents

transfer and consequently will not be subject to capital gains tax upon conversion. Further, the cost of acquisition of the shares received upon conversion of the bond shall be the price at which the corresponding bond was acquired. Prior to this amendment, the price of the shares received on conversion was arrived by using the stepped up basis.

With the enactment of Finance Act (No.2) 2009, the value of shares/security allotted under any Employees Stock Option Plan is treated as a perquisite in the hands of employees and will be taxed accordingly effective 1st April, 2009. The tax rate will vary from employee to employee with a maximum of 30.90% (subject to the prevailing tax slab) on the perquisite value. The perquisite value is calculated as the difference between the fair market value (FMV) of the share / security on the date of exercise minus the exercise price.

According to the Issue of Foreign Currency Convertible Bonds and Ordinary Shares Scheme, a non-resident holder's holding period for the purposes of determining the applicable Indian capital gains tax rate in respect of equity shares received in exchange for ADSs commences on the date of notice of the redemption by the depository to the custodian. However, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares Scheme does not address this issue in the case of resident employees, and it is therefore unclear as to when the holding period for the purposes of determining capital gains tax commences for such a resident employee.

The Issue of Foreign Currency Convertible Bonds and Ordinary Shares Scheme provides that if the equity shares are sold on a recognized stock exchange in India against payment in Indian rupees, they will no longer be eligible for the preferential tax treatment.

It is unclear as to whether section 115AC and the Issue of Foreign Currency Convertible Bonds and Ordinary Shares Scheme are applicable to a non-resident who acquires equity shares outside India from a non-resident holder of equity shares after receipt of the equity shares upon redemption of the ADSs.

It is unclear as to whether capital gains derived from the sale of subscription rights or other rights by a non-resident holder not entitled to an exemption under a tax treaty will be subject to Indian capital gains tax. If such subscription rights or other rights are deemed by the Indian tax authorities to be situated within India, the gains realized on the sale of such subscription rights or other rights will be subject to Indian taxation. The capital gains realized on the sale of such subscription rights or other rights, which will generally be in the nature of short term capital gains, will be subject to tax at variable rates with a maximum rate of 40% in the case of a foreign companies and at graduated rate with a maximum of 30%, in the case of resident employees and non-resident individuals. In addition to this, there will be a surcharge of 2.5% in the case of foreign companies and an additional surcharge called education cess of 3% on the above tax and surcharge in the case of foreign companies and only an additional surcharge called education cess of 3% on the above tax in the case of individuals.

As per Section 55(2) of the Income Tax Act, the cost of any share (commonly called a bonus share) allotted to any shareholder without any payment and on the basis of such shareholder's share holdings, shall be nil. The holding period of bonus shares for the purpose of determining the nature of capital gains shall commence on the date of allotment of such shares by the company.

Securities Transaction Tax: The Finance Act, 2004 has introduced certain new provisions with regard to taxes on the sale and purchase of securities, including equity shares. On and after October 1, 2004, in respect of a sale and purchase of equity shares entered into on a recognized stock exchange, (i) both the buyer and seller are required to pay each a Securities Transaction Tax, or STT at the rate of 0.125% of the transaction value of the securities, if a transaction is a delivery based transaction (i.e. the transaction involves actual delivery or transfer of shares); and (ii) the seller of the shares is required to pay a STT at the rate of 0.025% of the transaction value of the securities, if the transaction is a non-delivery based transaction, i.e. a transaction settled without taking delivery of the shares.

Withholding Tax on Capital Gains. Any gain realized by a non-resident or resident employee on the sale of equity shares is subject to Indian capital gains tax, which, in the case of a non-resident is to be withheld at the source by the buyer. However, as per the provisions of Section 196D(2) of the Income Tax Act, no withholding tax is required to be deducted by way of capital gains arising to Foreign Institutional Investors as defined in Section 115AD of the Income Tax Act on the transfer of securities defined in Section 115AD of the Income Tax Act.

Buy-back of Securities. Indian companies are not subject to any tax on the buy-back of their shares. However, the shareholders will be taxed on any resulting gains. Our company would be required to deduct tax at source according to the capital gains tax liability of a non-resident shareholder.

Stamp Duty and Transfer Tax. Upon issuance of the equity shares underlying our ADSs, companies will be required to pay a stamp duty of 0.1% per share of the issue price of the underlying equity shares. A transfer of ADSs is not subject to Indian stamp duty. However, upon the acquisition of equity shares from the depository in exchange for ADSs, the non-resident holder will be liable for Indian stamp duty at the rate of 0.25% of the market value of the ADSs or equity shares exchanged. A sale of equity shares by a non-resident holder will also be subject to Indian stamp duty at the rate of

Table of Contents

0.25% of the market value of the equity shares on the trade date, although customarily such tax is borne by the transferee. Shares must be traded in dematerialized form. The transfer of shares in dematerialized form is currently not subject to stamp duty.

Wealth Tax. The holding of the ADSs and the holding of underlying equity shares by resident and non-resident holders will be exempt from Indian wealth tax. Non-resident holders are advised to consult their own tax advisors regarding this issue.

Gift Tax and Estate Duty. Indian gift tax was abolished as of October 1998. Indian Estate Duty was abolished as of March 1985. On and after September 1, 2004, a sum of money exceeding Rs. 25,000 (approx \$570), received by an individual without consideration will be subject to tax at graduated rates with a maximum of 30% (excluding applicable surcharge and education cess), unless the same was received from a relative as defined in Explanation under Section 56(v), or on the occasion of the marriage of the Individual or under a will or by way of inheritance or in contemplation of death of the payer. The Taxation Laws Amendment Bill, 2005 introduced in the Parliament on May 12, 2005 proposes to levy the above tax in case the sum of money exceeds in aggregate Rs. 50,000 in a fiscal year. We cannot assure that these provisions will not be amended further in future. Non-resident holders are advised to consult their own tax advisors regarding this issue.

Service Tax. Brokerage or commission paid to stock brokers in connection with the sale or purchase of shares is subject to a service tax of 10% excluding surcharges and education cess. The stock broker is responsible for collecting the service tax from the shareholder and paying it to the relevant authority.

PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE INDIAN AND THEIR LOCAL TAX CONSEQUENCES OF ACQUIRING, OWNING OR DISPOSING OF EQUITY SHARES OR ADSs.

Material United States Federal Income Tax Consequences

The following is a summary of the material U.S. federal income tax consequences that may be relevant with respect to the acquisition, ownership and disposition of equity shares or ADSs and is for general information only. This summary addresses the U.S. federal income tax considerations of holders that are U.S. persons. U.S. persons are citizens or residents of the United States, or corporations (or other entities treated as corporations for United States federal income tax purposes) created in or under the laws of the United States or any political subdivision thereof or therein, estates, the income of which is subject to U.S. federal income taxation regardless of its source and trusts having a valid election to be treated as U.S. persons in effect under U.S. Treasury Regulations or for which a U.S. court exercises primary supervision and a U.S. person has the authority to control all substantial decisions. This summary is limited to U.S. persons who will hold equity shares or ADSs as capital assets.

This summary is limited to U.S. persons who will hold equity shares or ADSs as capital assets. In addition, this summary is limited to U.S. persons who are not residents in India for purposes of the Convention between the Government of the United States of America and the Government of the Republic of India for the avoidance of Double Taxation and the prevention of Fiscal Evasion with respect to taxes on income. If a partnership holds the equity shares or ADSs, the tax treatment of a partner will generally depend upon the status of the partner and upon the activities of the partnership. A partner in a partnership holding equity shares or ADSs should consult his/her/its own tax advisor.

This summary does not address tax considerations applicable to holders that may be subject to special tax rules, such as banks, insurance companies, regulated Investment companies, real estate investment trusts, financial institutions, dealers in securities or currencies, tax-exempt entities, persons liable for alternative minimum tax, persons that will hold equity shares or ADSs as a position in a straddle or as part of a hedging or conversion transaction for tax purposes, persons holding ADSs or equity shares through partnerships or other pass-through entities, persons that have a functional currency other than the U.S. dollar or holders of 10% or more, by voting power or value, of the shares of our company. This summary is based on the tax laws of the United States as in effect on the date of this document and on United States Treasury Regulations in effect or, in some cases, proposed, as of the date of this document, as well as judicial and administrative interpretations thereof available on or before such date and is based in part on the assumption that each obligation in the deposit agreement and any related agreement will be performed in accordance with its terms. All of the foregoing is subject to change, which change could apply retroactively and could affect the

tax consequences described below.

Each prospective investor should consult his, her or its own tax advisor with respect to the U.S. federal, state, local and foreign tax consequences of acquiring, owning or disposing of equity shares or ADSs.

Ownership of ADSs. For U.S. federal income tax purposes, holders of ADSs generally will be treated as the owners of equity shares represented by such ADSs. Accordingly, the conversion of ADSs into equity shares generally will not be subject to United States federal income tax.

Table of Contents

Dividends. Except for equity shares, if any, distributed pro rata to all shareholders of our company, including holders of ADSs, the gross amount of any distributions of cash or property with respect to equity shares or ADSs will generally be included in income by a U.S. holder as foreign source dividend income at the time of receipt, which in the case of a U.S. holder of ADSs generally should be the date of receipt by the depositary, to the extent such distributions are made from the current or accumulated earnings and profits (as determined under U.S. federal income tax principles) of our company. Such dividends will not be eligible for the dividends received deduction generally allowed to corporate U.S. holders. To the extent, if any, that the amount of any distribution by our company exceeds our company's current and accumulated earnings and profits as determined under U.S. federal income tax principles, such excess will be treated first as a tax-free return of the U.S. holder's tax basis in the equity shares or ADSs and thereafter as capital gain.

Subject to certain conditions and limitations, including the passive foreign investment company rules described below, dividends paid to non-corporate U.S. holders, including individuals, may be eligible for a reduced rate of taxation if we are deemed to be a qualified foreign corporation for United States federal income tax purposes. Under current tax, this reduced rate of taxation will not apply to dividends received in taxable years beginning after December 31, 2010 and such dividends will be taxed at ordinary income rates.

EACH U.S. HOLDER SHOULD CONSULT ITS OWN TAX ADVISOR REGARDING THE TREATMENT OF DIVIDENDS AND SUCH HOLDER'S ELIGIBILITY FOR REDUCED RATE OF TAXATION.

A qualified foreign corporation includes a foreign corporation if (1) its shares (or, according to legislative history, its ADSs) are readily tradable on an established securities market in the United States, or (2) it is eligible for the benefits under a comprehensive income tax treaty with the United States. In addition, a corporation is not a qualified foreign corporation if it is a passive foreign investment company (as discussed below). The ADSs are traded on the New York Stock Exchange. Due to the absence of specific statutory provisions addressing ADSs, however, there can be no assurance that we are qualified foreign corporation solely as a result of our listing on New York Stock Exchange. Nonetheless, we may be eligible for benefits under the comprehensive income tax treaty between India and the United States. Each U.S. holder should consult its own tax advisor regarding the treatment of dividends and such holder's eligibility for reduced rate of taxation.

Subject to certain conditions and limitations, any Indian dividend withholding tax imposed upon distributions paid to a U.S. holder should be eligible for credit against the U.S. holder's federal income tax liability. Alternatively, a U.S. holder may claim a deduction for such amount, but only for a year in which a U.S. holder does not claim a credit with respect to any foreign income taxes. The overall limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. For this purpose, distributions on equity shares or ADSs will be income from sources outside the United States, and, for tax years beginning before January 1, 2007, will generally be passive income, or financial services income, and for tax years beginning after December 31, 2006, will generally be passive category income or general category income for purposes of computing the United States foreign tax credit allowable to a U.S. holder.

If dividends are paid in Indian rupees, the amount of the dividend distribution included in the income of a U.S. holder will be in the U.S. dollar value of the payments made in Indian rupees, determined at a spot exchange rate between Indian rupees and U.S. dollars applicable to the date such dividend is included in the income of the U.S. holder, regardless of whether the payment is in fact converted into U.S. dollars. Generally, gain or loss, if any, resulting from currency exchange fluctuations during the period from the date the dividend is paid to the date such payment is converted into U.S. dollars will be treated as U.S. source ordinary income or loss.

Sale or Exchange of Equity Shares or ADSs. A U.S. holder generally will recognize gain or loss on the sale or exchange of equity shares or ADSs equal to the difference between the amount realized on such sale or exchange and the U.S. holder's adjusted tax basis in the equity shares or ADSs, as the case may be. Such gain or loss will be capital gain or loss, and will be long-term capital gain or loss if the equity shares or ADSs, as the case may be, were held for more than one year. Gain or loss, if any, recognized by a U.S. holder generally will be treated as U.S. source passive category income or loss for U.S. foreign tax credit purposes. Capital gains realized by a U.S. holder upon sale of equity shares (but not ADSs) may be subject to certain tax in India. See taxation Taxation of Distributions Taxation of Capital Gains. Due to limitations on foreign tax credits, however, a U.S. holder may not be able to utilize any such

taxes as a credit against the U.S. holder's federal income tax liability.

Backup Withholding Tax and Information Reporting. Any dividends paid, or proceeds on a sale of, equity shares or ADSs to or by a U.S. holder may be subject to U.S. information reporting, and backup withholding (currently at a rate of 28%, which will increase to 31% under current law if paid after December 31, 2010) may apply unless the holder is an exempt recipient or provides a U.S. taxpayer identification number, certifies that such holder is not subject to backup withholding and otherwise complies with any applicable backup withholding requirements. Any amount withheld under the backup withholding rules will be allowed as a refund or credit against the holder's U.S. federal income tax, provided that the required information is furnished to the Internal Revenue Service.

Table of Contents

Passive Foreign Investment Company. A non-U.S. corporation will be classified as a passive foreign investment company for U.S. Federal income tax purposes if either:

75% or more of its gross income for the taxable year is passive income; or
on average for the taxable year by value, or, if it is not a publicly traded corporation and so elects, by adjusted basis, if 50% or more of its assets produce or are held for the production of passive income.

We do not believe that we satisfy either of the tests for passive foreign investment company status for the year ended March 31, 2010. However, since this determination is made on an annual basis and depends on the value of our ADS, no assurance can be given that we will not be considered a passive foreign investment company in 2010 and/or future taxable years. If we were to be a passive foreign investment company for any taxable year, U.S. holders would be required to either:

pay an interest charge together with tax calculated at an ordinary income rates on excess distributions, as the term is defined in relevant provisions of U.S. tax laws, and on any gain on a sale or other disposition of equity shares;

if an election is made to be a qualified electing fund (as the term is defined in relevant provisions of the U.S. tax laws), include in their taxable income their pro rata share of undistributed amounts of our income; or
if the equity shares are marketable and a mark-to-market election is made, mark-to-market the equity shares each taxable year and recognize ordinary gain and, to the extent of prior ordinary gain, ordinary loss for the increase or decrease in market value for such taxable year.

If we are treated as a passive foreign investment company, we do not plan to provide information necessary for the qualified electing fund election.

In addition, certain information reporting obligations may apply to U.S. holders if we are determined to be a PFIC.

THE ABOVE SUMMARY IS NOT INTENDED TO BE A COMPLETE ANALYSIS OF ALL TAX CONSEQUENCES RELATING TO OWNERSHIP OF EQUITY SHARES OR ADSs. YOU SHOULD CONSULT WITH YOUR OWN TAX ADVISORS REGARDING THE APPLICATION OF THE UNITED STATES FEDERAL INCOME TAX LAWS TO YOUR PARTICULAR CIRCUMSTANCES, AS WELL AS ANY ADDITIONAL TAX CONSEQUENCES RESULTING FROM AN INVESTMENT IN THE ADSs OR EQUITY SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF THE TAX LAWS OF ANY STATE, LOCAL OR NON-U.S. JURISDICTION, INCLUDING ESTATE, GIFT AND INHERITANCE LAWS.

Documents on Display

This report and other information filed or to be filed by Wipro Limited can be inspected and copied at the public reference facilities maintained by the SEC at:

100 F Street, NE
Washington D.C., 20549

Northwestern Atrium Center
500 West Madison Street
Suite 1400
Chicago, Illinois 60661-2511

Copies of these materials can also be obtained from the Public Reference Section of the SEC, 100 F Street, NE., Washington, D.C. 20549, at prescribed rates.

The SEC maintains a website at www.sec.gov that contains reports, proxy and information statements, and other information regarding registrants that make electronic filings with the SEC using its EDGAR system.

Additionally, documents referred to in this Form 20-F may be inspected at our corporate offices which are located at Doddakannelli, Sarjapur Road, Bangalore, Karnataka, 560035, India.

Item 11. Quantitative and Qualitative Disclosures About Market Risk

(in millions, except share data and where otherwise stated)

Table of Contents***General***

Market risk is the risk of loss of future earnings, to fair values or to future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, foreign currency receivables, payables and loans and borrowings.

Our exposure to market risk is a function of investment and borrowing activities and revenue generating activities in foreign currency. The objective of market risk management is to avoid excessive exposure of our earnings and equity to losses.

Risk Management Procedures

We manage market risk through a corporate treasury department, which evaluates and exercises independent control over the entire process of market risk management. Our corporate treasury department recommends risk management objectives and policies, which are approved by senior management and Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Components of Market Risk***Foreign currency risk***

We operate internationally and a major portion of our business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through sales and services in the United States and elsewhere, and purchases from overseas suppliers in various foreign currencies. The exchange rate risk primarily arises from foreign exchange revenue, receivables, cash balances, forecasted cash flows, payables and foreign currency loans and borrowings. A significant portion of revenue is in U.S. dollars, euro and pound sterling, while a significant portion of costs are in Indian rupees. The exchange rate between the rupee and U.S. dollar, euro and pound sterling has fluctuated significantly in recent years and may continue to fluctuate in the future. Appreciation of the rupee against these currencies can adversely affect our results of operations.

We evaluate our exchange rate exposure arising from these transactions and enter into foreign currency derivative instruments to mitigate such exposure. We follow established risk management policies, including the use of derivatives like foreign exchange forward / option contracts to hedge forecasted cash flows denominated in foreign currency.

We have designated certain derivative instruments as cash flow hedge to mitigate the foreign exchange exposure of forecasted highly probable cash flows. We have also designated a combination of foreign currency borrowings and related cross-currency swaps and other foreign currency derivative instruments as hedge of its net investment in foreign operations.

As at March 31, 2010, Rs.1 increase / decrease in the spot exchange rate of Indian Rupee with U.S. dollar would result in approximately Rs. 1,071 decrease / increase in the fair value of our foreign currency dollar denominated derivative instruments.

As at March 31, 2010, 1% change in the exchange rate between U.S. Dollar and Yen would result in approximately Rs. 160 increase/decrease in the fair value of cross-currency interest rate swaps.

Interest rate risk

Interest rate risk primarily arises from floating rate borrowing, including various revolving and other lines of credit. Our investments are primarily in short-term investments, which do not expose us to significant interest rate risk. We manage our net exposure to interest rate risk relating to borrowings, by balancing the proportion of fixed rate borrowing and floating rate borrowing in its total borrowing portfolio. To manage this portfolio mix, we may enter into interest rate swap agreements, which allows us to exchange periodic payments based on a notional amount and agreed upon fixed and floating interest rates. As of March 31, 2010, substantially all of our borrowings was subject to floating interest rates, which reset at short intervals. If interest rates were to increase by 100 bps from March 31, 2010, additional annual interest expense on our floating rate borrowing would amount to approximately Rs. 584.

Table of Contents*Credit risk*

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this, we periodically assess the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. No single customer accounted for more than 10% of the accounts receivable as at April 1, 2008, March 31, 2009 and 2010, respectively and revenues for the year ended March 31, 2009 and 2010, respectively. There is no significant concentration of credit risk.

Counterparty risk

Counterparty risk encompasses issuer risk on marketable securities, settlement risk on derivative and money market contracts and credit risk on cash and time deposits. Issuer risk is minimized by only buying securities which are at least AA rated. Settlement and credit risk is reduced by the policy of entering into transactions with counterparties that are usually banks or financial institutions with acceptable credit ratings. Exposure to these risks are closely monitored and maintained within predetermined parameters. There are limits on credit exposure to any financial institution. The limits are regularly assessed and determined based upon credit analysis including financial statements and capital adequacy ratio reviews. In addition, net settlement agreements are contracted with significant counterparties.

Liquidity risk

Liquidity risk is defined as the risk that we will not be able to settle or meet our obligations on time or at a reasonable price. Our corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. As of March 31, 2010, our cash and cash equivalents are held with major banks and financial institutions.

Item 12. Description of Securities Other Than Equity Securities**Item 12 A. Debt Securities**

Not applicable

Item 12 B. Warrants and Rights

Not applicable

Item 12 C. Other securities

Not applicable

Item 12 D. American Depository Shares**Item 12.D.3. Fees and Charges for Holders of American Depository Receipts**

J P Morgan Chase Bank, N.A., as depository for the ADSs (the depository) collects fees as provided in the Deposit Agreement, as mentioned below:

The Depository may charge each person to whom ADRs are issued against deposits of Shares, including deposits in respect of Share Distributions, Rights and Other Distributions (as such terms are defined in paragraph (10)), and each person surrendering ADRs for withdrawal of Deposited Securities, U.S. \$5.00 for each 100 ADSs (or portion thereof) evidenced by the ADRs delivered or surrendered. The Depository may sell (by public or private sale) sufficient securities and property received in respect of Share Distributions, Rights and Other Distributions prior to such deposit to pay such charge. The Company will pay all other charges and expenses of the Depository and any agent of the Depository (except the Custodian) pursuant to agreements from time to time between the Company and the Depository, except (i) stock transfer or other taxes and other governmental charges (which are payable by Holders or persons depositing Shares), (ii) cable, telex and facsimile transmission and delivery charges incurred at the request of persons depositing, or Holders delivering Shares, ADRs or Deposited Securities (which are payable by such persons or Holders), (iii) transfer or registration fees for the registration of transfer of Deposited Securities on any applicable register in connection with the deposit or withdrawal of Deposited Securities (which are payable by persons depositing Shares or Holders withdrawing Deposited Securities; there are no such fees in respect of the Shares as of the date of the Deposit Agreement) and (iv) expenses of the Depository in connection with the conversion of foreign currency into U.S. dollars (which are paid out of such foreign currency).

The depository may generally refuse to provide fee-attracting services until its fees for those services are paid.

Table of Contents**Item 12.D.4. Fees Paid by Depository to the Company****a. Direct Payments**

J. P. Morgan, as depository, has agreed to reimburse certain reasonable expenses related to the Company's ADR Program and incurred by the Company in connection with the Program. In the year ended March 31, 2010, the depository reimbursed USD 9519.97. The amounts the depository reimbursed are not performance related to the fees collected by the depository from ADR holders. Under certain circumstances, including termination of the Program prior to the contract term, Company is required to repay to J.P. Morgan amounts reimbursed in prior periods. The table below sets forth the types of expenses that J.P. Morgan has agreed to reimburse and the amounts reimbursed during the fiscal year ended March 31, 2010.

Category of Expenses	Amount reimbursed for fiscal ended March 31, 2010
Legal and accounting fees incurred in connection with preparation of Form 20F and ongoing SEC compliance and listing requirements	
Listing fees	(Details provided under Indirect Payments)
Investor relations (1)	USD 9519.97
Advertising and public relations	Nil
Broker reimbursements (2)	(Details provided under Indirect Payments)
1) Includes ADR training expenses.	
2) Broker reimbursements are fees payable to Broadridge and other service providers for the distribution of hard copy material to beneficial ADR holders in the Depository Trust Company. Corporate material includes information related to shareholders meetings and related voting	

instruction
cards. These
fees are SEC
approved.

b. Indirect Payments

As part of its service to the Company, J.P. Morgan has agreed to waive fees for the standard costs associated with the administration of the ADR Program, associated operating expenses and investor relations advice estimated to total \$240,000. J.P. Morgan has also paid the following expenses on our behalf: \$100,236.07

Under certain circumstances, including termination of the Program prior to contract term, the Company is required to repay to J. P. Morgan amounts waived and/or expenses paid in prior periods. The table below sets forth the fees that J.P. Morgan has agreed to waive and/or expenses that J.P. Morgan has agreed to pay during the fiscal year ended March 31, 2010.

Category of Expenses	Amount reimbursed for fiscal ended March 31, 2010
Third party expenses paid directly (Listing fees)	USD 76,000 (NYSE listing fees for 2009 and 2010)
	USD 19,648.09 (Broker reimbursements, postage, printing and DTC report fees)
	USD 4,587.98 (Training expenses)
Service Fees waived	Up to USD 240,000 per year

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies

Not applicable.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

Not Applicable

Item 15. Controls and Procedures

Disclosure controls and procedures.

Table of Contents**Item 15. Controls and Procedures***Disclosure controls and procedures.*

In connection with the audit of our consolidated financial statements for the year ended March 31, 2010, and as disclosed in our Form 6-K dated March 1, 2010, we discovered acts of embezzlement by one of our junior level employees during the period from November 2006 to December 2009. In response to the discovery of such acts of embezzlement, our Audit Committee conducted investigations to determine, among other things, the materiality of the amounts embezzled, the design and implementation of internal control processes to detect and prevent similar misappropriations in the future and certain other issues including appropriateness of certain accounting entries. Based on our review of the facts discovered during the investigation, we believe that the amounts embezzled were not material. See also Item 5 Management's Discussion and Analysis of Financial Condition and Results of Operations for additional information pertaining to our Audit Committee investigations and the findings and the impact of financial statement misstatements and other adjustments identified during the investigations.

We and our independent registered public accounting firm also identified the lack of internal controls that gave rise to this embezzlement and the financial statement misstatements as material weaknesses in our internal control over financial reporting as of March 31, 2009. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company's annual or interim financial statements will not be prevented or detected on a timely basis. The material weaknesses were related to the:

- sharing of online banking access passwords and our internal accounting system passwords by certain employees within the finance and accounting departments, including personnel responsible for external financial reporting;
- lack of effective controls over recording of journal entries, including inadequate documentation and maker-checker controls, which also resulted in ineffective controls over bank reconciliation statements, exchange rate fluctuation accounts and outstanding liabilities accounts;
- lack of timely and adequate reconciliation and review of period-end reinstatement of foreign currency inter-company and unit balances, including the recording of appropriate adjustments; and
- insufficient segregation of duties in relation to recording and initiating certain banking payments.

As a result of identifying these material weaknesses, our management and Audit Committee have concluded that our previously issued report on Internal Control Over Financial Reporting (ICOFR), as of March 31, 2009, should no longer be relied upon. Further, KPMG India, our independent registered public accounting firm, has concluded that its audit opinion on ICOFR as of March 31, 2009 should also no longer be relied upon due to these material weaknesses.

We have taken steps to address the underlying causes of these material weaknesses described above primarily through the development and implementation of policies and controls, improved processes and documented procedures, the retention of third-party experts, and the hiring of additional accounting and finance personnel. The actions that we have taken were reviewed by our senior management with oversight by our Audit Committee.

As of the end of the period covered by this Annual Report on Form 20-F, we carried out an evaluation, under the supervision and with the participation of our management, including our chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or the Exchange Act.

Based on their evaluation as of March 31, 2010 and the actions described above, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures are effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms and that material information related to us and our consolidated subsidiaries is accumulated and communicated to our management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions about required disclosure.

MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15(d)-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the International Financial Reporting Standards and their interpretations (IFRS), as issued by the International Accounting Standard Board (IASB).

The Company's internal control over financial reporting includes those policies and procedures that:

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets;
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS, as issued by the IASB and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and
- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management, with the participation of our Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of internal control over financial reporting as of March 31, 2010. In conducting this assessment of internal control over financial reporting, management based its evaluation on the framework in Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Our independent registered public accounting firm, KPMG India, has audited the consolidated financial statements in this Form 20-F, and as part of their audit, has issued its report, which is included in this Form 20-F, on the effectiveness of our internal control over financial reporting as of March 31, 2010.

In connection with the audit of our consolidated financial statements for the year ended March 31, 2010, we and our independent registered public accounting firm also identified the lack of internal controls that gave rise to the embezzlement and financial statement misstatements as material weaknesses in our internal control over financial reporting as of March 31, 2009.

We have taken steps to address the underlying causes of these material weaknesses, primarily through the development and implementation of policies and controls, improved processes and documented procedures, the retention of third-party experts, and the hiring of additional accounting and finance personnel. The actions that we have taken were reviewed by our senior management with oversight by our Audit Committee.

Table of Contents

Report of Independent Registered Public Accounting Firm

The Board of Directors and Equity holders

Wipro Limited:

We have audited Wipro Limited and its subsidiaries (the Company) internal control over financial reporting as of March 31, 2010, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 31, 2010, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated statements of financial position of the Company as of April 1, 2008 and March 31, 2009 and 2010, and the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for each of the years in the two-year period ended March 31, 2010, and our report dated November 12, 2010 expressed an unqualified opinion on those consolidated financial statements.

KPMG

Bangalore, India

November 12, 2010

Table of Contents*Change in internal controls over financial reporting.*

During the period covered by this Annual Report, there were changes in our internal control over financial reporting that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

As we disclosed in our Form 6-K dated March 1, 2010, we discovered acts of embezzlement by one of our junior level employees during the period from November 2006 to December 2009. In response to the discovery of such acts of embezzlement, our Audit Committee conducted an investigation through an internal investigation team to determine, among other things, the materiality of the amounts embezzled, the design and implementation of internal control processes to detect and prevent similar misappropriations in the future and certain other issues including appropriateness of certain accounting entries. Based on our review of the facts discovered during the investigation, we believe that the amounts embezzled were not material. We have since recovered substantially all of the embezzled amounts.

As part of this internal investigation, certain financial misstatements were also identified in the area of exchange rate fluctuation and outstanding liability accounts. Accordingly, our Audit Committee, together with its independent legal counsel and the forensic accountants they engaged, commenced an external investigation to evaluate certain issues that arose out of the internal investigation, including the appropriateness of certain accounting entries. We and our independent registered public accounting firm also identified the lack of internal controls that gave rise to the embezzlement and other financial statement misstatements as material weaknesses in our internal control over financial reporting as of March 31, 2009. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company's annual or interim financial statements will not be prevented or detected on a timely basis. The material weaknesses were related to the:

- sharing of online banking access passwords and our internal accounting system passwords by certain employees within the finance and accounting departments, including personnel responsible for external financial reporting;
- lack of effective controls over recording of journal entries, including inadequate documentation and maker-checker controls, which also resulted in ineffective controls over bank reconciliation statements, exchange rate fluctuation accounts and outstanding liabilities accounts;
- lack of timely and adequate reconciliation and review of period end reinstatement of foreign currency inter-company and unit balances, including recording of appropriate adjustments; and
- insufficient segregation of duties in relation to recording and initiating banking payments.

As of March 31, 2010, these identified material weaknesses were remediated by our management through the implementation of a series of steps designed to improve the control processes and controls including making necessary personnel changes. The steps that we have taken are reviewed by senior management, as well as oversight by our Audit Committee. These steps included the following:

- re-emphasizing our documented policy on Password Security Compliance and obtaining quarterly confirmations from employees;
- implementation of maker-checker control over recording of journal entries including additional controls over bank reconciliation statements, exchange rate fluctuation accounts and outstanding liabilities accounts;
- performing review and reconciliation of period end reinstatement of foreign currency inter-company unit balances; and
- appropriate segregation of duties in relation to recording and initiating banking payments.

As a result of identifying these material weaknesses our management and Audit Committee have concluded that our previously issued report on Internal Control Over Financial Reporting (ICOFR), as of March 31, 2009, should no longer be relied upon. Further, KPMG India, our independent registered public accounting firm, have concluded that its audit opinion on ICOFR as of March 31, 2009 should also no longer be relied upon due to these material weaknesses.

Compliance with the New York Stock Exchange Corporate Governance Rules

The Company presently complies with all the practices as described in the final Corporate Governance Rules and Listing standards of the New York Stock Exchange as approved by the Securities and Exchange Commission on November 4, 2003 and codified in Section 303A of the NYSE Listed Company Manual.

A detailed compliance report with the final Corporate Governance rules of the New York Stock Exchange will be separately filed with the New York Stock Exchange.

Item 16 A. Audit Committee Financial Expert

The Audit Committee is responsible for reviewing reports of our financial results, audits, internal controls, and compliance with federal procurement laws and regulations. The committee selects the independent registered public accounting firm and approves all related fees and compensation and reviews their selection with the Board of Directors. The committee also reviews the services proposed to be performed by the independent registered public accounting firm to ensure their independence with respect to such services.

Members of the committee are non-management directors who, in the opinion of the Company's Board of Directors, are independent as defined under the applicable rules of the New York Stock Exchange. The Board has determined that Mr. Narayan Vaghul qualifies as an Audit Committee Financial Expert as defined by the applicable rules of the SEC.

Item 16 B. Code of Ethics

Our Audit Committee has adopted a written Code of Ethics, as defined in Item 406 of Regulation S-K, applicable to our principal executive officer, principal financial officer, principal accounting officer and all officers working in our finance, accounting, treasury, internal audit, tax, legal, purchase, financial analyst, investor relations functions, disclosure committee members, and senior management, as well as members of the Audit Committee and the Board of Directors. Our Code of Ethics is available under the investor relations section on our website at www.wipro.com. We will post any amendments to, or waivers from, our Code of Ethics at that location on our website.

Our Audit Committee has also adopted an Ombuds process policy wherein it has established procedures for receiving, retaining and treating complaints received, and procedures for the confidential, anonymous submission by employees of complaints regarding questionable accounting or auditing matters, conduct which results in a violation of law by Wipro or in a substantial mismanagement of Company resources. Under this policy, our employees are encouraged to report questionable accounting matters, any reporting of fraudulent financial information to our shareholders, the government or the financial markets any conduct that results in a violation of law by Wipro to our management (on an anonymous basis, if employees so desire). Likewise, under this policy, we have prohibited discrimination, retaliation or harassment of any kind against any employee who, based on the employee's reasonable belief that such conduct or practices have occurred or are occurring, reports that information or participates in an investigation. Our Ombuds process policy is available under the investor relations section on our website at www.wipro.com.

We have also adopted an updated Code of Business Conduct and Ethics, applicable to all officers, directors and employees. Our updated Code of Business Conduct and Ethics is available under the investor relations section on our website at www.wipro.com.

Item 16 C. Principal Accountant Fees and Services

Our Audit Committee charter requires us to obtain the prior approval of our audit committee on every occasion that we engage our principal accountants or their associated entities and on every occasion that they provide us with any non-audit services. At the beginning of each year, the Audit Committee reviews the proposed services, including the nature, type and scope of services contemplated and approves the related fees, to be rendered by these firms during the year. In addition, Audit Committee pre-approval is also required for those engagements that may arise during the course of the year that are outside the scope of the initial services and fees pre-approved by the Audit Committee.

The following table presents fees for professional audit services rendered by KPMG for the audit of the Company's annual financial statements and fees billed for other services rendered by KPMG.

Table of Contents

	Year ended March 31,	
	2009	2010
Audit fees	Rs. 78	Rs. 82
Tax fees	37	36
All other fees	3	11
Total	Rs. 118	Rs. 129

Audit services comprise fees for professional services in connection with the audit of Company's annual consolidated financial statements and their attestation and report concerning internal control over financial reporting and reviews of interim financial statement.

Tax services comprise fees for tax compliance, tax assessment and tax planning services rendered by the independent registered public accounting firm. These services include corporate tax services like assistance with foreign income tax, value added tax, transfer pricing study, government sales tax and equivalent tax matters in local jurisdictions and assistance with local tax authority reporting requirements for tax compliance purposes.

Our Audit Committee charter requires us to take the prior approval of our Audit Committee on every occasion we engage our principal accountants or their associated entities to provide us any audit or non-audit services. We disclose to our Audit Committee the nature of services that are provided and the fees to be paid for the services. All of the audit or non-audit services provided by our principal accountants or their associated entities have been pre-approved by our Audit Committee.

Item 16 D. Exemptions from the Listing Standards for Audit Committees

We have not sought any exemption from the listing standards for Audit Committees applicable to us as foreign private issuer, pursuant to Rule 10(A)-3(d) of the Securities Exchange Act of 1934.

Item 16 E. Purchase of Equity Securities by the Issuer and Affiliated Purchasers

None.

Item 16 F. Changes in registrant's Certifying Accountant

None.

Item 16 G. Corporate Governance

Because our securities are listed on a national securities exchange, we are required to provide a concise summary of any significant ways in which our corporate governance practices differ from those followed by domestic companies under the listing standards of that exchange. Being a foreign private issuer, we are permitted to follow home country practice in lieu of the provisions of this Section 303A of the NYSE Listed Company Manual, except that we are required to comply with the requirements of Sections 303A.06, 303A.11 and 303A.12(b) and (c) thereof. With regard to Section 303A.11, although the Company's required home country standards on corporate governance may differ from the NYSE listing standards, the Company's actual corporate governance policies and practices are generally in compliance with the NYSE listing standards applicable to domestic companies. Some of the key differences between the requirements in India and those as per NYSE Listing requirements are as follows:

- a. Listing Agreement with Indian stock exchanges require 50% of the Board of Directors to be independent directors in the case of executive Chairman of the Board (it is 33.33% in other cases) while NYSE listing requirements specify that a majority of the Board to consist of independent directors.
- b. Listing Agreement with Indian stock exchanges requires that a majority of the members of the Audit Committee be independent directors while the NYSE Listing specifies that all the members of the Audit Committee must be independent directors.
- c. The requirement for a Nomination Committee and Compensation Committee are not compulsory as per Listing Agreements with Indian stock exchanges. These are mandatory requirements as per NYSE Listing requirements. A Shareholders Grievance committee is mandatory under Listing Agreements with stock

exchanges and is not a requirement under NYSE Listing requirements.

Table of Contents

- d. Criteria for determining directors to be independent also differ between the two countries Listing requirements.

The other key practices followed in the home country as per home country laws are disclosed elsewhere in this report.

Part III

Item 17. Financial Statements

See Item 18.

Table of Contents

Item 18. Financial Statements

**CONSOLIDATED STATEMENTS AND OTHER FINANCIAL INFORMATION
REPORT OF AUDIT COMMITTEE**

The Board of Directors and Stockholders of Wipro Limited

In connection with the March 31, 2010 consolidated financial statements prepared under International Financial Reporting Standards and its interpretations (IFRS), as issued by the International Accounting Standard Board (IASB), the Audit Committee: (1) reviewed and discussed the consolidated financial statements with management; (2) discussed with the auditors the matters required by the Statement on Auditing Standards No. 114, and the Sarbanes-Oxley Act of 2002; and (3) reviewed and discussed with the auditors the matters required by NYSE Listing Standards. Based upon these reviews and discussions, the Audit Committee recommended to the board of directors that the audited consolidated financial statements be included in the Annual Report on Form 20-F to be filed with the Securities and Exchange Commission of the United States of America.

Bangalore, India
November 12, 2010

N.Vaghul
Chairman

P. M. Sinha
Member

B. C. Prabhakar
Member

Table of Contents

REPORT OF MANAGEMENT

Management of Wipro is responsible for the integrity and objectivity of the consolidated financial statements and related notes. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and its interpretations (IFRS), as issued by the International Accounting Standard Board (IASB) and include amounts based on judgments and estimates by management. Management is also responsible for the accuracy of the related data in the annual report and its consistency with the financial statements.

Management maintains internal control systems designed to provide reasonable assurance that assets are safeguarded, transactions are executed in accordance with management s authorization and properly recorded, and accounting records are adequate for preparation of financial statements and other financial information. These are reviewed at regular intervals to ascertain their adequacy and effectiveness.

In addition to the system of internal controls, the Company has articulated its vision and core values which permeate all its activities. It also has corporate policies to ensure highest standards of integrity in all business transactions, eliminate possible conflicts of interest, ensure compliance with laws, and protect confidentiality of proprietary information. These are reviewed at periodic intervals.

The consolidated financial statements have been audited by the Company s independent registered public accounting firm, KPMG. Their responsibility is to audit these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States) and express their opinion on the fairness of presentation of the statements.

The Audit Committee of the board comprised entirely of independent directors conducts an ongoing appraisal of the independence and performance of the Company s internal and external auditors and monitors the integrity of Company s financial statements. The Audit Committee meets several times during the year with management, internal auditors and the independent registered public accounting firm to discuss audit activities, internal controls and financial reporting matters.

Azim H. Premji

*Chairman and Chief Executive
Officer*

S.C. Senapaty

*Chief Financial Officer and
Director*

Bangalore, India

Date: November 12, 2010

Table of Contents

Report of Independent Registered Public Accounting Firm

The Board of Directors and Equity holders

Wipro Limited:

We have audited the accompanying consolidated statements of financial position of Wipro Limited and subsidiaries (the Company) as of April 1, 2008 and March 31, 2009 and 2010 and the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for each of the years in the two-year period ended March 31, 2010. These consolidated financial statements are the responsibility of the Company s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of April 1, 2008 and March 31, 2009 and 2010, and the results of their operations and their cash flows for each of the years in the two-year period ended March 31, 2010, in conformity with International Financial Reporting Standards as issued by International Accounting Standards Board (IFRS).

As discussed in Note 2(ii) to the consolidated financial statements, the Company has changed its basis of accounting to IFRS during the year ended March 31, 2010. Consequently, the Company s consolidated financial statements as of April 1, 2008 and for the year ended March 31, 2009 referred to above have been restated to conform with IFRS. Prior to adoption of IFRS, the Company prepared financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) for purposes of its U.S. Securities and Exchange Commission reporting and accounting principles generally accepted in India (Indian GAAP) for purposes of its Indian regulatory reporting. Upon adoption of IFRS, Indian GAAP was considered previous GAAP.

Indian GAAP varies in certain significant respects from U.S. GAAP and IFRS. Information relating to the nature and effect of such differences are presented in Note 31 and Note 3 to the consolidated financial statements.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company s internal control over financial reporting as of March 31, 2010, based on criteria established in Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated November 12, 2010 expressed an unqualified opinion on the effectiveness of the Company s internal control over financial reporting.

KPMG

Bangalore, India

November 12, 2010

Table of Contents

WIPRO LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Rupees in millions, except share and per share data, unless otherwise stated)

	Notes	As of April 1, 2008	As of March 31, 2009 2010		2010 Convenience Translation into US \$ in millions (Unaudited) Refer note 2(iv)
ASSETS					
Goodwill	5	42,635	56,143	53,802	1,197
Intangible assets	5	1,866	3,493	4,011	89
Property, plant and equipment	4	39,478	49,794	53,458	1,189
Investment in equity accounted investees	16	1,343	1,670	2,345	52
Derivative assets	15		543	1,201	27
Deferred tax assets	18	1,508	4,369	1,686	38
Non-current tax assets		2,833	2,690	3,464	77
Other non-current assets	11	4,050	7,378	8,784	195
Total non-current assets		93,713	126,080	128,751	2,864
Inventories	9	6,664	7,587	7,926	176
Trade receivables	8	40,353	50,123	50,928	1,133
Other current assets	11	11,269	14,664	21,106	470
Unbilled revenues		8,514	14,108	16,708	372