

WIPRO LTD
Form 20-F
June 16, 2011

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 20-F**

(Mark One)

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

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

For the fiscal year ended March 31, 2011

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
**American Depositary Shares, each represented by
one**

Name of each exchange on which registered
New York Stock Exchange

Equity Share, par value Rs. 2 per share.

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

None

(Title of Class)

**Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:
Not Applicable**

(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 2,454,409,145 **Equity Shares**.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act

Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act, 1934

Yes No

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files)

Yes No

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

Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer

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

U.S. GAAP

International Financial Reporting
Standards as issued by the
International
Accounting Standards Board

Other

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 US or US\$ or dollars or U.S. dollars are to the legal currency of the United States, reference to £ or Pound Sterling or GBP are to the legal currency of United Kingdom and references to Rs. or Rupees or rupees are to the legal currency of India. All amounts are in 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 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, 2011, which was Rs. 44.54 per US\$1.00. No representation is made that the Indian rupee amounts have been, could have been or could be converted into United States dollars at such a rate or any other rate. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding. Information contained in our website, www.wipro.com, 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;

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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.

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PART I

Item 1. Identity of Directors, Senior Management and Advisers

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable

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Selected IFRS financial data for the years ended March 31, 2007 and 2008 have not been included in this Annual Report on Form 20-F because IFRS financial statements for such periods have not previously been prepared and could not be prepared without unreasonable effort and expense. We changed our basis of accounting to IFRS during the year ended March 31, 2009. Prior to adoption of IFRS, we prepared financial statements in accordance with accounting principles generally accepted in the United States of America for purposes of our SEC reporting.

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 three years ended March 31, 2011 and selected consolidated statements of financial position data as of March 31, 2009, 2010 and 2011 in Indian rupees have been derived from our audited consolidated financial statements and related notes, which have been prepared and presented in accordance with International Financial Reporting Standards and its interpretations (IFRS), as issued by the International Accounting Standard Board (IASB). Historical results are not necessarily indicative of future results.

	(In millions, except per equity share data)							
	2009		2010		2011		2011 Convenience Translation into US\$	
Consolidated Statements of								
Income data:								
Revenues	Rs.	256,891	Rs.	271,957	Rs.	310,542	US\$	6,972
Cost of revenues		(180,215)		(186,299)		(212,808)		(4,778)
Gross profit	Rs.	76,676	Rs.	85,658	Rs.	97,734	US\$	2,194
Selling and marketing expenses		(17,313)		(18,608)		(22,172)		(498)
General and administrative expenses		(14,510)		(14,823)		(18,339)		(412)
Foreign exchange gains/(losses), net		(1,553)		(383)		445		10
Results from operating activities	Rs.	43,300	Rs.	51,844	Rs.	57,668	US\$	1,295
Finance expense		(3,824)		(1,324)		(1,933)		(43)
Finance and Other income		5,057		4,360		6,652		149
Share of profits of equity accounted investees		362		530		648		15
Profit before tax		44,895		55,410		63,035		1,415
Income tax expense		(6,035)		(9,294)		(9,714)		(218)
Profit for the year	Rs.	38,860	Rs.	46,116	Rs.	53,321	US\$	1,197

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Attributable to:

Equity holders of the Company	Rs.	38,761	Rs.	45,931	Rs.	52,977		1,189
Non-controlling interest		99		185		344		8

Profit for the year	Rs.	38,860	Rs.	46,116	Rs.	53,321	US\$	1,197
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Earnings per equity share:

Basic		15.99		18.91		21.74	US\$	0.49
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Diluted		15.90		18.75		21.61		0.49
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Weighted average number of equity shares used in computing earnings per equity share⁽¹⁾:

Basic		2,423,558,482		2,429,025,243		2,436,440,633		2,436,440,633
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Diluted		2,437,464,403		2,449,658,532		2,451,154,154		2,451,154,154
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Cash dividend per equity share paid

		4.00		4.00		8.00	US\$	0.18
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Additional data:

Revenue by segment⁽²⁾

IT Services	Rs.	191,613	Rs.	202,490	Rs.	234,850	US\$	5,273
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IT Products		34,277		38,205		36,910		829
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Consumer Care and Lighting		19,249		22,584		27,258		612
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Others		8,995		7,143		10,896		245
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Reconciling items		1,204		1,152		1,073		24
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Total	Rs.	255,338	Rs.	271,574	Rs.	310,987	US\$	6,982
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Operating income by segment

IT Services	Rs.	40,288	Rs.	47,687	Rs.	53,407	US\$	1,199
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IT Products		1,363		1,764		1,609		36
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Consumer Care and Lighting		2,592		3,102		3,450		77
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Others		(294)		(836)		(97)		(2)
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Reconciling items		(649)		127		(701)		(16)
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Total	Rs.	43,300	Rs.	51,844	Rs.	57,668	US\$	1,295
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Consolidated Statements of Financial Position Data:

Cash and cash equivalents	Rs.	49,117	Rs.	64,878	Rs.	61,141	US\$	1,373
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	2009	2010	2011	2011 Convenience Translation into US\$
Available for sale investments	16,293	30,420	49,282	1,106
Working capital ⁽³⁾	57,152	95,565	131,696	2,957
Total assets	284,255	329,928	371,443	8,340
Total debt	56,892	62,511	52,802	1,185
Total equity	147,381	196,549	240,371	5,397
Number of shares outstanding	1,464,980,746	1,468,211,189	2,454,409,145	2,454,409,145

Notes:

1. Adjusted for stock dividend.
2. In our segment reporting only, management has included the impact of exchange rate fluctuations in revenue.
3. Working capital equals current assets less current liabilities.

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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 the 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
2011	Rs. 44.54	Rs. 45.46	Rs. 47.49	Rs. 43.90
2010	44.95	47.18	50.48	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

On June 10, 2011, the certified foreign exchange rates published by Federal Reserve Board of New York was Rs. 44.72.

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

Month	High	Low
May 2011	Rs. 45.33	Rs. 44.27
April 2011	44.51	44.00
March 2011	45.24	44.54
February 2011	45.66	45.06
January 2011	45.92	44.59
December 2010	45.54	44.70

Capitalization and Indebtedness

Not applicable.

Reasons for the Offer and Use of Proceeds

Not applicable.

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RISK FACTORS

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

Risks Related to our Company and our Industry

Our revenues and expenses are difficult to predict because they can fluctuate significantly given the nature of the markets in which we operate. This increases the likelihood that our results could fall below 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 Inc., 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 15.34% for the year ended March 31, 2011, as compared to the year ended March 31, 2010. While the environment has improved significantly since the first half of the calendar year for 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 BPO business, we are diversifying our service offerings to reduce the proportion of revenues from

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customer interaction services. Continued attrition levels in our customer interaction services could adversely 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 processes and systems to manage our growth, the value of our shareholders' investment may be harmed.

As economic data showed signs of improvement and stabilization, the growth rates during fiscal year 2011 have seen an uptick as compared to fiscal year 2010. 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 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/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 destinations like China, the Philippines, Brazil, Romania, Poland and others. Some 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.

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 apart from taking higher commercial risks in our contracts with such clients. 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/or imposition of penalties or damages. Additionally, we may experience financial losses in contracts which are linked to our clients' future business outcomes or based on assumptions which are not realized.

Larger projects may involve multiple engagements or stages, and there is a risk that a client may choose not to retain us for subsequent stages or may cancel or delay subsequent planned engagements. These terminations, cancellations or delays may result from the business or financial condition of our clients or the economy generally, as opposed to factors related to the quality of our services. Such cancellations or delays make it difficult to plan for project resource requirements, and inaccuracies in such resource planning may have a negative impact on our

profitability.

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

The continued efforts of the senior members of our management team, including 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 reassign and retain our employees to keep pace with continuing changes in technology, evolving standards and changing client preferences. As the environment continues to improve and IT Companies hire more actively, we experience high employee attrition rates, consistent with the industry as a whole. Continued employee attrition rates 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 foreign currencies while a significant portion of our costs are in Indian rupees. The exchange rate between the rupee and foreign currencies has fluctuated significantly in recent years and may continue to fluctuate in the future. Appreciation of the rupee against the foreign currencies can adversely affect our revenue and competitive position, and can adversely impact our gross margins. We generate approximately 35% of our IT Services revenues in non- U.S. dollar currencies and the exchange rate fluctuations between these currencies and the U.S. dollar can affect our revenues and growth, as expressed in U.S. dollar terms. We seek to minimize this risk by entering into forward exchange and option contracts. However, volatility in exchange rate movement and/or sustained Indian 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 Indian rupee and foreign currencies have fluctuated significantly in recent years and will likely continue to fluctuate in the future. Volatility in exchange rate movement and/or Indian 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 55% of our IT Services revenue from the United States and 27% of our IT Services revenue from Europe. In the event of a global economic slowdown, our clients located in these geographies may reduce or postpone their technology spending significantly. Reduction in spending on IT services may lower the demand for our services and negatively affect our revenues and profitability.

Furthermore, any significant decrease in the growth of the industries in which we focus, or a significant consolidation in any such industry, may reduce the demand for our services and negatively affect our revenue 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, 2010 and 2011 accounted for approximately 3% of our IT Services revenue. For the same periods, our ten largest clients accounted for approximately 20% of our IT Services revenue. The volume of work we perform for specific clients may vary from year to year, particularly since we 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 these factors are neither predictable nor under our control. In certain cases, clients have reduced their spending on IT services due to a challenging economic environment, consequently reducing their volume of business with us. If we were to lose one of our

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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.

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

Restrictions on immigration in the U.S. may affect our ability to compete for and provide services to clients in the U.S., 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 U.S. 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 past terrorist attacks in the United States, the U.S. Citizenship and Immigration Services has increased its level of scrutiny in reviewing visa applications and has decreased the number of 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. 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 the number of 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.

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 if (1) 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) 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 the 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 that we will continue to be able to obtain any or a sufficient number of H-1B visas for our onsite employees 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.

Since we provide services to clients throughout the world, we are subject to numerous, and sometimes conflicting, legal requirements on matters as diverse as import/export controls, content requirements, trade restrictions, tariffs, taxation,

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sanctions, government affairs, anti-bribery, internal and disclosure control obligations, data privacy and labor relations. Gaps in our compliance with these regulations in the conduct of our business could result in fines, penalties, criminal sanctions against us or our officers, disgorgement of profits, prohibitions on doing business and adverse impact to our reputation. Gaps in compliance with these regulations in connection with the performance of our obligations to our clients could also 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 defend ourselves and preserve our rights.

We have more than 21,000 employees located outside India. We are subject to risks relating to compliance with a variety of national and local laws including multiple tax regimes, labor 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 labor law or other alleged conduct. Our failure to comply with 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.

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 service providers to avoid negative perceptions or stereotypes that may be associated with using an offshore service 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.

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.

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.

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

We may be liable to our clients for damages 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.

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 software development facilities and physical infrastructure during fiscal year 2011 in anticipation of growth in our business. The total amount of investment made to purchase property, plant and equipment in fiscal year 2011 was Rs. 12,211 million (US\$274 million). Additionally, as of March 31, 2011, we had contractual commitments of approximately Rs. 2,071 million (US\$47 million) related to capital expenditures on construction or expansion of our software development and other facilities. We may encounter cost overruns or project delays in connection with new facilities and 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 centers, 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.

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

Our clients typically retain us on a non-exclusive, project-by-project basis. Many of our client contracts, including those that are on a fixed-price, fixed-time frame basis, can be terminated with or without cause, with as few as 90 days' notice and without termination-related penalties. Additionally, most of our contracts with clients are typically limited to

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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 of our control that might result in the termination of a project or the loss of a client, including:

financial difficulties of 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. 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 difficulty in assimilating the personnel, operations, technology or 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 to the clients that may be difficult to quantify. Any failure in a client's system could result in a claim for substantial damages against us, regardless of our responsibility for such failure. Although we attempt to limit our contractual liability for consequential damages in rendering our services, we cannot be assured that such limitations on liability will be enforceable in all cases, or that they will otherwise protect us from liability for damages. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or result in changes to 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 their 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

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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, 2011, our management has performed an assessment of the effectiveness of the internal control over financial reporting. We have determined that the internal controls are effective.

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 financial reporting, the accuracy and timeliness of our financial reporting may be adversely affected.

We are subject to the reporting obligations under the U.S. securities laws. The SEC, as required under Section 404 of the Sarbanes-Oxley Act of 2002, has adopted rules requiring every public company to include a report of management on the effectiveness of such company's internal control over financial reporting in its annual report. In addition, an independent registered public accounting firm must issue an attestation report on the effectiveness of the company's internal control over financial reporting.

If we fail to maintain effective internal control over financial reporting in the future, we and our independent registered public accounting firm may not be able to conclude that we have effective internal control over financial reporting at a reasonable assurance level. This could in turn result in the loss of investor confidence in the reliability of our financial statements. Furthermore, we have incurred and anticipate that we will continue to incur considerable costs and use significant management time and other resources in an effort to comply with Section 404 and other requirements of the Sarbanes-Oxley Act. If we are not able to continue to meet the requirements of Section 404 in a timely manner or with adequate compliance, we might be subject to sanctions or investigation by the SEC, the New York Stock Exchange or other regulatory authorities. Any such action could adversely affect the accuracy and timeliness of our financial reporting.

We cannot predict the outcome of the Securities and Exchange Commission's voluntary requests for documents and information, the outcome of which could have a material adverse effect on us.

As we previously disclosed in our Form 20-F for the year ended March 31, 2010, our Audit Committee and KPMG India conducted an investigation into whether financial relationships, business transactions or loans existed between any members of KPMG India's audit engagement team and Wipro as well as other potential independence matters, including whether any other members of the KPMG India audit engagement team had dealings with any Wipro employees that would compromise KPMG India's independence from Wipro. 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.

Subsequently, the SEC's Division of Enforcement requested that we provide on a voluntary basis certain information and documents concerning, among other things, issues relating to auditor independence. Some of the voluntary requests also relate to the same subject matter we disclosed which the Audit Committee investigated last year, including the appropriateness of certain accounting entries pertaining to our exchange rate fluctuation and outstanding liability accounts. We are cooperating with the SEC's requests. 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/or our Audit Committee could have a material adverse effect on us.

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

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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.

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 upon rates for our work and may affect our future margins.

If a government client discovers improper or illegal activities in the course of audits or investigations, we may become subject to various civil and criminal penalties and administrative sanctions, which may include termination of contracts, forfeiture of profits, suspension of payments, fines and suspensions or 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.

Deterioration of the credit as well as debt and capital markets due to economic turmoil 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 interest rates for our borrowings.

Turmoil in the financial markets 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 the 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 the interest rates of the 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, however, our financial condition and operating results may be harmed.

Table of Contents**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 to Note 3 of the Notes to the Consolidated Financial Statements section.

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 of India currency exchange control and changes in exchange rates and interest rates.

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 less 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 (SEZs). Under this scheme, units in designated SEZs 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 the commencement of provision of services in such an SEZs and 50% of such profits or gains for an additional ten years.

Recently there have been demands by legislators and various political parties in India for the Government of India to actively regulate the development of SEZs 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 SEZs. If such regulations or conditions are imposed, it would adversely impact our ability to set up new units in such designated SEZs and avail ourselves of the tax benefits.

The Finance Act 2011 has proposed to introduce a Minimum Alternative tax (MAT) on profits of SEZ developers or any unit located in SEZs. This was earlier exempt from MAT, and the implementation of such policy could decrease our profit margin and the benefits associated with SEZs.

Our profits 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 extended the availability of the 10-year tax holiday by a period

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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 MAT and the Finance Act 2011 has proposed to include income eligible u/s 10AA (SEZ units). The Finance Act, 2011 has increased the rate of MAT, effective April 1, 2011, to 20.01% (including a surcharge and education cess) on our book profits determined after including income eligible for deductions under Sections 10A, 10B and 10AA 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 the services are 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 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. taxes on income, taking into account corresponding deductions, attributable to the permanent establishment and 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 U.S. on the dividend equivalent amount as the term is defined under U.S. tax laws. Based on the net profits of our U.S. branch for fiscal year 2011 and the net assets held as of March 31, 2011 and March 31, 2010, 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 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 those regions. In addition, such attacks may make business 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 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, 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, hurricanes, tsunamis, 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

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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, as occurred in Japan in March 2011, 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 our products or services. 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. There have been military confrontations between India and Pakistan in the Kashmir region and along the India-Pakistan border. The potential for hostilities between the two countries is high due to recent terrorist activities in India and the aggravated geopolitical situation. Both countries have initiated active measures to reduce hostilities. Military activity or terrorist attacks in the future could harm the Indian economy by disrupting communications and making travel more difficult. Such political tensions could create a greater perception that investments in Indian companies involve a higher degree of risk. This, in turn, could have a material adverse effect on the market for the securities of Indian companies, including our equity shares and our ADSs, and on the market for our services.

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 SEZs including specifying a cap on land available for SEZs. The Government of India 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 net worth 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

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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 necessary 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, our 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.

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 patent, 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

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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 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.

Our ADSs have historically traded at a significant premium to the trading prices of our underlying equity shares on Indian stock exchanges, but may not continue to do so in the future.

Historically, our ADSs have traded at a premium to the trading prices of our underlying equity shares on Indian stock exchanges due to the relatively small portion of our market capitalization represented by ADSs, restrictions imposed by Indian law on the conversion of equity shares into ADSs, and the potential preference of some investors to trade securities listed on U.S. exchanges. The completion of any additional secondary ADS offering will increase the number of our outstanding ADSs. Further, the restrictions on the issuance of ADSs imposed by Indian law may be relaxed in the future. Over a period of time, investor preferences may also change. Therefore, the historical premium of our ADSs as compared to the trading prices of our underlying equity shares on Indian stock exchanges may be reduced or eliminated.

Negative media coverage and public scrutiny may adversely affect the prices of our equity shares and ADSs.

The media coverage, including social media coverage such as blogs, of our business practices, employees, policies and actions has increased dramatically over the past several years. Any negative media coverage, regardless of the correctness of such reporting, may have an initial adverse impact on our reputation and investor confidence, resulting in a decline in the share price of our equity shares and our ADSs.

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 Depositary, 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 Depositary 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.

Table of Contents**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, 2011. However, a separate determination must be made after the close of each taxable year as to whether we are a PFIC. 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 (Companies Act) and 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 US\$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.

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, Infrastructure Engineering and Eco-energy. We are headquartered in Bangalore, India and have operations in North America, Europe, Latin America and Asia. For the fiscal year ended March 31, 2011, 92% of our operating income was generated from our IT Services business segment. For the same period, the IT Products business segment represented 3% of our operating income and the Consumer Care and Lighting and the Others business segment, including reconciling items, represented 5% of our operating income.

We incurred capital expenditure of Rs. 16,746 million, Rs. 12,631 million and Rs. 12,211 million during the fiscal years ended March 31, 2009, 2010 and 2011, respectively. These capital expenditures were primarily incurred on new software development facilities in India for our IT Services and IT Products business segments. As of March 31, 2011, we had contractual commitments of Rs. 2,071 million (US\$47 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, 2011.

Industry Overview*IT Services*

Companies are increasingly turning to offshore IT service providers to meet their need for high quality, cost competitive technology solutions and IT services. The scope of work includes a range of end-to-end software development, IT business solutions, research and development services, BPO, consulting and related support functions

to reduce cycle time for introducing new products and services.

According to the National Association of Software and Service Companies (NASSCOM) Strategic Review Report 2011, International Data Corporation (IDC) forecasts a compounded annual growth rate (CAGR) of over 5.30% in worldwide IT services and IT enabled services (IT-ITeS) spending and a CAGR of over 7.26% in offshore IT spending, for

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the period 2010-14. Gartner also predicts global IT services spending to grow at 5% in 2011 to reach US\$824.4 billion. Key factors supporting these projections are the growing impact of technology led innovation, the increasing demand for global sourcing and gradually evolving socio-political attitudes.

Over the past two decades, India has risen to become the leading destination for global sourcing of IT, BPO and R&D services. Established Indian IT services companies have a proven track record for providing business and technology solutions, offering a large, high quality and English-speaking talent pool, and a friendly regulatory environment. These factors, coupled with strong existing client relationships have facilitated India's emergence as a global outsourcing hub. The following are key factors contributing to the growth of India-based IT services:

India-based global sourcing offers significant cost advantages in terms of accessing highly skilled talent at lower wage costs and productivity gains derived from having a very competent employee base. According to the NASSCOM Strategic Review Report 2011, as per Everest India, India continues to be the leader in cost competitiveness among all global sourcing locations, despite wage inflation. Operating costs in India continue to deliver cost savings of about 60-70% as compared to other source locations.

India has a large, highly skilled and English-speaking talent pool. According to the NASSCOM Strategic Review Report 2011, the IT industry here employed nearly 2,540,000 software professionals as of 2010-11, making it one of the largest employers in the global IT services industry. According to the same report, the country has the largest pool of suitable off-shore talent.

Favorable policy decisions of the Indian Government have played an instrumental role in the development of a robust IT-Business Process Outsourcing (BPO) sector in the country. The Software Technology Park Scheme (STP) and the SEZ Act play a dominant role in the emergence and development of the IT-BPO industry by giving incentives in the form of tax holiday periods.

The Indian IT industry has been the primary beneficiary of the rapid transformation of the telecom sector since it was deregulated to permit private participation, with the cost of international connectivity declining rapidly and service level quality improving significantly.

India-based IT companies have proven their ability to deliver premium IT and BPO services that satisfy the requirements of international clients who adhere to the highest quality standards. According to NASSCOM's Strategic Review Report 2011, over 658 India based centers, both Indian firms as well as multinational corporation (MNC) owned captives, have earned quality certifications, more than any other country.

While exports remain the focus area for the Indian IT industry, the domestic IT services market is expected to be a key growth driver. Currently accounting for 38% of the overall Indian IT industry revenue, the Indian IT services market is expected to grow at around 22.7% in fiscal year 2011. The key verticals driving this market growth are Retail, Government, Healthcare, Utilities and Media.

IT Products

According to the NASSCOM Strategic Review Report 2011, the hardware market in India is estimated to account for 40% of the domestic IT industry, growing at about 20% in 2011. The key components of the hardware industry are servers, clients (desktops and laptops), storage devices, peripherals and networking equipment. Massive demand from the consumer segment, pent-up demand from previous fiscal years and the need to add or upgrade hardware is driving growth across all segments, specifically in government, banking, financial services and insurance (BFSI) and telecom sectors. There is a huge focus on the SMBs in tier II/III cities, with the supply side developing several low-cost and customized products to attract smaller enterprises.

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. As per the NASSCOM Strategic Review Report 2011, spending on notebooks is expected to surpass desktop revenues for the first time in fiscal year 2011. 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

Wipro's consumer care business includes personal care products, soaps, toiletries, infant care products, trade and commercial lighting, modular switch lights and modular office furniture. We have a strong brand presence in niche segments and have significant market share in select regions in India. In addition, we have a strong presence in the personal care products market in South-East Asia and Middle-East Asia.

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AC Nielsen estimates that India is amongst the fastest growing geographies for fast moving consumer goods (FMCG), with a 2010 growth rate of 15% for the non-food segment. This market is estimated to grow at a CAGR of 12% - 15% for the period from 2011-2014. The household and personal care FMCG market in the other Asian countries in which we operate including Malaysia, Vietnam and Indonesia, is expected to grow at a CAGR of 8% for the period 2011-2014.

The Indian domestic market for institutional lighting and office modular furniture is estimated at US\$700 million and is expected to grow at the rate of 10% - 15% for the period 2011-2012. 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 as among the leading offshore providers of technology services by Gartner Inc., Forrester Research Inc and other leading research and advisory firms. Wipro was recognized by Forrester Research Inc. as a strong performer in Security and Risk Consulting Services in a report titled 'The Forrester Wave : Information Security and Risk Consulting Services, Q3 2010' and in Managed Security Service in a report titled 'The Forrester Wave : Managed Security Services, Q3 2010'. In terms of other achievements, we won the Global MAKE (Most Admired Knowledge Enterprises) Award 2010 for the fourth time, which recognized our accomplishment in creating a knowledge driven culture, an environment conducive for knowledge sharing, and in driving organizational learning. We became the first Indian company to join Greenpeace's CoolIT Leaderboard rankings that assess companies on their commitments towards and actions on energy and climate solutions. Our Identity and Access Management (IDAM) solution 'IDAM in-a-Rack' won the Global Product Excellence award 2010 in the Identity Management Solution Category.

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 world, developing and integrating 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 service 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 of the Wipro brand name among clients and consumers both domestically and internationally. We believe we can leverage the strength of an international brand name across all of our business sectors by ensuring that our brand name is associated with Wipro's position as a market leader that is committed to high quality standards. 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 Citi Technology Services Limited and Lornamead FZE (an entity incorporated in Dubai) and Lornamead Personal Care Private Limited (an entity incorporated in India). 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 shareholder 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.

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

Our strategy is to drive sustainable profitability growth and healthy cash flow generation in all our businesses by driving operation efficiencies and efficient capital utilization with an end objective of strong earnings per share growth.

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 provides a range of IT and IT enabled services which include 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, 2010 and 2011. Our IT Services segment accounted for 93%, 92% and 92% of our total operating income for the years ended March 31, 2009, 2010 and 2011, respectively.

Our strategy

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 are now creating the right kind of growth framework to help us leapfrog into the next level where we will be:

A trusted partner of choice to clients;

Employer of choice in the sphere of our operations;

Preferred partner of choice to our alliances; and

Recognized as an organization that delivers sustainable and consistent profitable growth to our investors

In line with achieving this goal, we adopted strategies and initiatives aimed at profitable growth. We have six key elements to enable this.

1. *Differentiated approach to growth & investments:* The differentiated approach is focused on taking advantage of growth hot spots across industry segments and geographies. We have renewed our focus on emerging (momentum) markets by creating dedicated teams covering France and Germany in Europe, ASEAN and Australia, New Zealand, India, the Middle East and Africa markets where we continue to lead market growth. On the industry front, we endeavor to invest heavily in growth leading segments such as Banking, Financial Services and Insurance (BFSI), Energy & Utilities, Healthcare and Retail and Consumer Product Goods (Retail and CPG). Acquisitions will continue to play a key part in strengthening our domain and technology capabilities, driving increased market penetration and broadening the depth and breadth of our service portfolio.
2. *Client Centricity:* We have redesigned our organizational structure, proposition and capabilities, with the client being our central focus, to address the needs of Global 2000 enterprises. Our goal is to deepen penetration of these accounts through a consulting-led domain approach to business. Further, we are pursuing the client engagement manager model, which enables swift, impeccable execution with single point accountability with support from the rest of the organization. We derived annualized revenues in excess of US\$50 million from 22 customers as of March 31, 2011, as compared to 16 customers as of March 31, 2010.

3. *Co-creating our value proposition along with clients:* We believe that the fundamental business practice in this new millennium will be multiple entities working together as one value chain to create superior flexibility, productivity and financial performance. Keeping in line with macro and micro changes, we have developed a

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research-backed approach involving all stakeholders – employees, clients and partners to arrive at a model to meet the needs of the increasingly global 21st century enterprises. The model comprises of core/non-core client business analysis and rationalization, lean optimization and technology innovation and co-creation of solutions with our strategic alliance partners.

4. *Comprehensive and integrated capability across the services value chain backed by IP assets:* Our ability to provide a comprehensive process to service suite uniquely positions us to be a master system integrator and transformation partner to clients. The focus is to develop IP assets that solve clients' business problems efficiently. In addition, enablers or processes and programs designed to aid people development, leadership development and skill enhancements are ongoing efforts.
5. *Innovation:* For us, innovation is not just a term. It is at the core of what we do, part of our business driven organizational culture. We innovate to meet changing client needs, technology advancements and generate newer streams of revenue for the organization. Our innovation not only has the ability to drive significantly higher productivities and efficiencies in client enterprises, but also possesses the potential to fundamentally alter underlying business models for clients.
6. *Our People:* We believe that our employees are the backbone of our organization; hence a large part of the management focus is towards building and developing employees. Our aim is to build the best in class global leadership and provide employees unlimited opportunities for career enhancement and growth. It is our aim to be a truly global company that not only services customers but also employs people worldwide.

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 122,000 professionals. This business segment accounted for 75% of our revenue and 92% of our operating income for the year ended March 31, 2011. Our service offerings are aligned with the spends of our customers which include applications, infrastructure, process, engineering and data with consulting as an enabler.

Business Application Services: Business Application Services (BAS) is directed towards the spends of customers regarding applications by enabling customers to create successful and adaptive businesses through a robust business architecture, process transformation and innovation. BAS offers integrated business solutions across the application and technology landscape - transforming business processes, maximizing and extending the value of package applications, aggregating application capabilities to drive greater collaboration and commerce with customers, integrating and optimizing application architecture to align it with business priorities, enabling secure IT operations enforcement consistent with risk and compliance, mandates and driving a total quality approach for applications and technology solutions. We help drive business innovation through integrating next generation technology into the enterprise IT landscape for our customers. This includes Cloud Computing, Social Media and Digital Marketing among others.

Enterprise Applications: Our business process transformation solutions across the value chain are applied in the areas of: enterprise resource planning or ERP, Supply Chain Management and Customer Relationship Management across leading packages including SAP and Oracle. We help global organizations implement and run industry specific best practice processes maximizing and extending business value with reduced total cost of ownership (TCO) and enhanced productivity.

Business Collaboration and Customer Experience: We offer Business-to-customer (B2C), Business-to-business (B2B), Business-to-employee (B2E) collaboration and commerce solutions driving business growth and workforce effectiveness for organizations. Our customer experience solutions enable organizations to create a consistent multi-channel brand experience and drive customer engagement and loyalty.

Enterprise Integration: We offer a comprehensive portfolio of service-oriented integration solutions, including application-to-application integration and B2B integration, enabling seamless cross-functional business processes within the enterprise and across the extended value chain.

Enterprise Security Solutions: We offer end-to-end integrated Enterprise Security Solutions and are among the top global firms offering comprehensive IT security services. Our solutions enhance performance of information security and compliance programs to adapt with agility to constantly evolving and new business and IT risks.

Testing Services: Our services enable our clients to develop a comprehensive testing strategy with innovative solutions, approach and commercial models to ensure total quality assurance. We were recognized by IDC

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Research Inc., an independent research firm, as the largest testing services provider in a July 2010 report titled IDC Marketscape: Global Testing Services, 2010 Vendor Analysis .

Emerging Technologies: We enable organizations to navigate and adopt new paradigms such as Cloud/SaaS, Sustainability, Digital Marketing and Social Computing, delivering faster business results on investments to gain a competitive edge.

Technology Infrastructure Services: We are a pioneer in the Infrastructure Management services space, and were named a leader in The Forrester Wave : Global IT Infrastructure Outsourcing, Q1 2011 March 2011 report. We launched a unique IT360™ framework to help our customers maximize their IT investments and increase IT effectiveness. Our Industry specific service offerings include customized solutions for various business processes. Our service offerings include Data Center Management, Virtualization, Managed Network, Managed Security, End User Computing Cloud, and Business Advisory services.

Business Process Outsourcing (BPO): We enable clients to improve the quality of their processes, reduce costs and realize economies of scale. We are uniquely positioned to service customer requirements by leveraging our 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 with multiple locations and operating in multiple languages, we have taken over the back office work related to finance and accounting, order management and procurement streams. We are in the process of transforming the services by process redesign and technology intervention, thereby off-shoring and improving efficiency of the business process. This will improve the effectiveness and efficiency of our services leading to better process and optimized cost. The transformation involves technology intervention to make the service location-agnostic, thereby help right shoring roles to economical locations. In addition to this, standardization and process redesign ensure that the process is deskilled and made lean to increase efficiency and effectiveness. We use our internally developed tool BASE))) along with Six Sigma, LEAN and Quality initiatives to restructure the process and to bring in off-shoring and outsourcing benefits. This has resulted in 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;

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

process transformational offerings, such as automated chats and e-mails, speech analytics and IVR based voice solution.

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.

Product Engineering Services: Many gadgets which are part of our lifestyle today – cell phones, automobiles, televisions, set top boxes, microwaves, computing servers, printers, airplanes, medical devices – have Wipro components in them. Our product engineering services (PES) business enables customers to build these current and next generation solutions. Recognizing this, we were awarded the 2010 Outstanding Corporate Award for contribution to the Embedded systems and Very-Large-Scale Integration (VLSI) industry segment by Silicon India – Mentor Graphics. We were the finalist for NASSCOM’s Innovation award in the Market Facing Innovation category for Digital TV solutions. We became the first Healthcare IT Services organization to be certified for IEEE 11073 (x73) based software reference system for five certified device classes by Continua Health Alliance.

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Our new solutions include a remote patient monitoring solution and a connected TV solution, managed printing services and a Collaborative Design, Manufacturing & Sustainance (CDMS) program. We also launched a joint initiative with Microsoft to offer Microsoft Lync Server 2010 qualification testing services for unified communication products/solutions and CSA to provide localized testing and certification services.

Analytics: Our Analytics and Information Management service line helps customers accelerate enterprise wide performance through smart, agile and integrated analytical solutions and frameworks. By bringing together the combined expertise of Analytics, Business Intelligence, Performance Management and Information Management, we help customers derive valuable insights, make informed decisions and drive revenues by harnessing and leveraging enterprise information. Our service line provides consulting, business centric and technology specific analytical solutions and data management frameworks developed through a complete ecosystem of partners, focusing on industry specific analytics, optimization and operations analytics, Enterprise Data Warehouse, MDM, Data quality and data life cycle management.

Consulting: Wipro Consulting Services (WCS) helps companies solve today's business issues while thinking ahead of future challenges and opportunities. As a business unit of Wipro, one of the world's leading providers of integrated consulting, technology and outsourcing solutions, we bring value to our clients through end-to-end business transformation—think, build and operate. Our model for the 21st century virtual corporation includes implementing lean process transformation, exploiting new technology, optimizing human capital and physical assets and structuring next generation partnering agreements that create value and win/win business outcomes for our clients. WCS has six major consulting practices, all with deep domain experience—Business Transformation, Functional Excellence (Supply Chain, Finance, HR, OCM and CRM), Process Excellence (Lean IT and Lean Business), Governance Risk and Compliance, Enterprise Architecture and Government consulting.

Global Delivery Model

As the industry is moving rapidly into a commoditized market for pure play IT services at one end and specialized transformational capabilities at the other end, the delivery models are morphing to align with these changes. As pioneers of the Global Delivery Model or GDM, we have always looked at innovative ways of servicing customers more effectively by leveraging on the depth of experience in the Wipro ecosystem. Several of these differentiated services are now scaling up and demonstrating a strong value proposition to customers besides enabling Wipro to open marquee accounts as well as deliver business benefits to customers.

We established a tiered competency development framework with associated training and assessment centers to enable the alignment of the delivery competencies to the changing customer needs. A fast-track program to create project management talent has been created with talent from premier engineering colleges being exclusively selected and groomed for this cadre.

To implement our goal of providing world class delivery experience to customers, we have set up competency-led centers at strategic locations including Atlanta in the U.S., Chengdu in China, Romania and Philippines. The team is comprised of over 3,000 professionals.

Equaterra, an independent sourcing advisory in more than 60 countries, ranked Wipro No. 1 in Client Satisfaction, Applications Management, Infrastructure Management, Price and Governance, underlining Wipro as a leader for client satisfaction in its detailed UK IT service provider performance study.

Non linearity is a concept that we have focused on emphatically in recent years—through multiple avenues, including new engagement models, way of delivery or building platforms and automation. We have developed non linearity in two areas—revenue initiatives and delivery initiatives.

Our focus on building a non-linear capability is yielding results and the benefits are being seen both by our customers and employees. Non linearity brings in efficiencies of deployment, tools and accelerators and productized solutions.

We believe that the Flex Delivery model is a key investment towards seamless global delivery offering an industrialized, multi-tenanted service delivery model providing fast startup, predictable delivery time and reduced total operation costs through well defined processes, tools, interfaces and a de-centralized scalable team. The model comprises of pre-defined, standardized and scalable set of services that can be delivered on demand by the customers.

To enable flex delivery, we have established flex centers in most of our service lines based on platform/technology competencies and in multiple locations. Several of the industry verticals have also adopted this model over the past year. We have assessed the maturity of the centers and improved them using proprietary frameworks and workflow tools.

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We have created teams within Wipro to focus on solution accelerators, and these teams have generated hundreds of accelerators for use in projects.

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 ended March 31, 2009	Year ended March 31, 2010	Year ended March 31, 2011
Per client revenue(US\$)			
1-3 million	207	180	174
3-5 million	67	60	75
>5 million	153	166	180
Total > 1 million	427	406	429

The largest client of our IT Services segment accounted for 3% of the total revenues from IT Services segment for each of the fiscal years ended March 31, 2009, 2010 and 2011. For the same periods, the five largest clients of our IT Services segment accounted for 11% of our total IT Services revenues.

Sales and Marketing

We believe that the customer always comes first. In an effort to re-focus on the customer, we completely reset our organizational structure to create a simplified industry domain-led business where client delivery, sales and profitability are aligned more closely with strategic business units. The elements of this shift in our sales and marketing strategy are:

Verticalization – our sales team is part of the strategic business units (SBUs) and will help provide sales optimization and seamless execution of services.

CEM model – our Client Engagement Manager (CEM) gained significance as the owner of a customer relationship, and is geared to building stronger client understanding, business alignment and consultative selling in large accounts.

Proactive solutioning – our sales teams anticipate client needs and proactively make recommendations to the client on ways to improve their business.

Cross-functional focus on must have accounts (MHAs) – we have re-engineered our sales approach to improve prospective client responsiveness to solicitations, particularly for MHAs. Each sales team will have a domain/solution/architecture specialist to ensure that our outreach is targeted and we can offer solutions which are attractive and tailored to the needs of a particular client.

Emerging Markets: We have created dedicated teams with a country and region specific focus for France, Germany, Australia, New Zealand, Latin America, Canada, Asia Pacific, India, Middle East and Africa markets to increase our penetration to gain market share.

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 and 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:

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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%, 14% and 12% of our total revenues for the years ended March 31, 2009, 2010 and 2011, respectively. Our IT Products segment accounted for 3% of our operating income for each of the year ended March 31, 2009, 2010 and 2011, 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, and

Offer innovative and best in class IT Products and Solutions catering to client needs

Product Differentiation

Product Engineering to deliver value differentiation on Wipro products

Focus on building brand Ego and evolve as lifestyle brands within our manufactured products business

Strengthen server portfolio through a combination of in-house and traded products

Geo expansion enhanced focus for addressing new markets including markets in Middle-East and Africa

Customer Engagement

Vertical Focus Strengthen presence in key verticals such as Government, Telecom and Banking

Mid-Market Drive Tier II/III city penetration. Establish 10 city leadership positions through increased coverage and marketing activities

Deliver customized solutions

Alliances realign existing and form new alliances, leverage alliance partnerships for joint go to market with Wipro. Partner with emerging technology providers to improve market address and develop new streams of revenue

Operational Excellence Sustain Green Leadership in Wipro manufactured products. Continue to drive delivery and operational excellence through industry standard processes and global best practices for better customer satisfaction (CSAT) and cost optimization.

Products

Our range of IT Products is comprised of the following:

Wipro Manufactured Products. Our manufactured range of products comprises desktops, notebooks, Net Power servers and super computers. We offer form, factors and functionalities that cater to the entire spectrum of users from individuals to high-end corporate entities. We continue to launch new products based on market needs.

Enterprise Platforms. Our offerings under this category comprise of design and deployment services for enterprise class servers, databases and Server computing resource management software.

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

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Software Products. Our products under 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 Center 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 and Voice Logger interface.

Enterprise Security. Security products include intrusion detection systems, firewalls and physical security infrastructure covering surveillance and monitoring systems.

Emerging Technologies. We also offer new technologies in the market including virtualization, IP video solutions and private cloud implementations.

Our Clients

The clients for our IT Products segment range from single users to large enterprises. We provide our offerings to enterprises under all major industries including government, defense, IT and ITeS, 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 mid market;

by geography – regions in which our client is located; and

by verticals – our account management team is spread across target industry segments including government, defense, telecommunications, energy and utilities, engineering and construction and BFSI sectors.

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 receives 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, Ingram, Dell, HP, Lenovo, Acer, Sony and Toshiba.

Some of the major challenges we encounter on account of competitive trends include:

Margin pressure due to competitive pricing; and

Winning mindshare and market share in the crowded market place require differentiated strategies – pricing, branding, delivery and differentiated products.

Nonetheless, we are favorably positioned due to our quality leadership, expertise in target 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, Middle East 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

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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. Our Yardley brand gives us a stronger presence in the Middle East and into the luxury segment of personal care. We are amongst the top 15 players in personal care in India, and fourth largest player in personal care in each of Malaysia and Vietnam.

Our Consumer Care and Lighting segment accounted for 8%, 8% and 9% of our total revenue for the years ended March 31, 2009, 2010 and 2011, respectively. Our Consumer Care and Lighting segment accounted for 6% of our operating income for each of the years ended March 31, 2009, 2010 and 2011.

Products

Personal care products. Our range of personal care products includes deodorants and fragrances, hair care, bath and shower, skin care and other personal care products. We have focused on consolidating our brand portfolio and now have about 34 brands including brands like Yardley, Enchanteur, Safi, Eversoft and Romano. We expect to further consolidate the portfolio.

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 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 5,121 distributors and 1.6 million retail outlets throughout the country. We sell a significant portion of our lighting products to major industrial and commercial customers through our direct sales force, from 29 sales offices located throughout India.

In our other geographies, led by Malaysia, Vietnam, Indonesia and China, we have direct access to over 200,000 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.

Competition

In the personal care products market, we face competition primarily from multinational companies like Unilever, Procter and Gamble, Johnson & Johnson, L Oreal, ITC (FMCG) and Godrej among others. In the office solutions and lighting products market we face competition primarily from multinational companies like Philips, General Electric, Bajaj, Crompton, Godrej and BP Ergo among others. 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.

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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 the 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 eight factories in India, two in Malaysia and one 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, Pacoma, Sundaram Hydraulics and Dantal and overseas suppliers such as the Kayaba, Precision Hydraulics Company and Hyva (in tipping business).

In the current financial year, we are seeing resurgent growth specifically in the Asia segment of our business. We believe that the fundamentals of the infrastructure engineering business remain strong. 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 are also in the cleantech business - Wipro Eco Energy, which provides intelligent, sustainable alternatives for energy generation, distribution and consumption. We transform analytical insights obtained from energy data into sustainable solutions. We help customers reduce their energy footprint, recover higher energy efficiencies from energy deployment and replace conventional with renewable energy sources.

Our Others segment, including reconciling items accounted for 4%, 3% and 4% of our total revenues for the years ended March 31, 2009, 2010 and 2011, respectively. Our Others segment, including reconciling items accounted for (2)%, (1)% and (1)% of our operating income for the years ended March 31, 2009, 2010 and 2011, 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 eight manufacturing facilities across Asia and Europe with three facilities in India, four in Sweden and one in Finland. We also have a sales office in China and are in process of setting up a manufacturing facility in China.

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.

Table of Contents**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 and systems integration.

Non linearity: Non-linearity in service delivery is achieved through creating intellectual property, differentiated services and platforms, automation through accelerators and flex delivery for driving standardized outcomes.

Productized Solutions: These include business solutions (Transformation, Process) like 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.

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 and 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

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NASSCOM's Strategic Review Report 2011, Indian Research and Development and Engineering services comprising embedded systems/solution as well as other product engineering development services is estimated to reach US\$9 billion in revenues in fiscal 2011. 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, 2011, our IT Services segment had 904 active clients. We have approximately 180 customers from whom we derived annualized revenues in excess of US\$5 million for the fiscal year ended March 31, 2011. 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. As of March 31, 2011, in our IT Services business we had over 122,000 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.

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

112,000 employees as of March 31, 2011. During the same period, our revenues from our IT Services segment have grown from Rs. 17,816 million to Rs. 234,850 million.

Table of Contents***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 92 active 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 among the most well recognized brands in the Indian market. We have been operating in the Indian market for over 65 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 three fiscal years by geographic areas are as follows:

	(In millions)		
	Year ended March 31,		
	2009	2010	2011
India	Rs. 54,945	Rs. 62,179	Rs. 67,904
United States	115,022	119,870	129,217
Europe	57,109	56,780	68,159
Rest of the world	28,262	32,745	45,707
	Rs. 255,338	Rs. 271,574	Rs. 310,987

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 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, 2011, we hold more than 1,100 registered trademarks including registered community trademarks in India, Japan, U.S., Malaysia and the British Virgin Islands. We also have 67 registered patents, 18 registered copyrights and 11 registered designs. We have approximately 79 patent applications, 12 design applications and 5 copyright applications pending for registration in various jurisdictions across the world.

We have more than 115 registrations completed with respect to WIPRO and the Flower logo trademarks in over 80 territories across the world (including Madrid Protocol countries) and more than 200 trademark applications pending

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registration. These overseas registrations also include our applications in the EU (via the Community Trade Mark). We have more than 200 trademark applications pending in India, Iran, Vietnam, Iraq, Malaysia, Singapore, Nepal, Sri Lanka, etc. 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 all of our STP/EOU units expired in fiscal year 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 March 31, 2011 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.
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.

	Wipro Holding Austria GmbH ^(A)	Austria
	3D Networks (UK) Limited	U.K.
Wipro Cyprus Private Limited		Cyprus
	Wipro Technologies S.A DE C. V	Mexico
	Wipro BPO Philippines LTD. Inc	Philippines
	Wipro Holdings Hungary Korlátolt Felelősségű Társaság	Hungary
	Wipro Technologies Argentina SA	Argentina
	Wipro Information Technology Egypt SAE	Egypt
	Wipro Arabia Limited*	Saudi Arabia

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Direct Subsidiaries	Step Subsidiaries	Country of Incorporation
	Wipro Poland Sp Zoo	Poland
	Wipro Outsourcing Services UK Limited	U.K.
	Wipro Technologies (South Africa) Proprietary Limited	South Africa
	Wipro Information Technology Netherlands BV (formerly RetailBox BV)	Netherland
	Wipro Portugal S.A. ^(A) (Formerly Enabler Informatica SA)	Portugal
	Wipro Technologies Limited, Russia	Russia
	Wipro Technologies Oy	Finland
	Wipro Infrastructure Engineering AB	Sweden
	Wipro Infrastructure Engineering Oy	Finland
	Hydrauto Celka San ve Tic	Turkey
	Wipro Technologies SRL	Romania
	Wipro Singapore Pte Limited	Singapore
	PT WT Indonesia	Indonesia
	Wipro Unza Holdings Limited ^(A)	Singapore
	Wipro Technocentre (Singapore) Pte Limited	Singapore
	Wipro (Thailand) Co Limited	Thailand
	Wipro Bahrain Limited WLL	Bahrain
	Wipro Yardley FZE	Dubai
Wipro Australia Pty Limited		Australia
Wipro Networks Pte Limited (formerly 3D Networks Pte Limited)		Singapore
Planet PSG Pte Limited		Singapore
	Wipro Technologies SDN BHD	Malaysia

	(Formerly Planet PSG SDN BHD)	
Wipro Chengdu Limited		China
Wipro Chandrika Limited*		India
WMNETSERV Limited		Cyprus
	WMNETSERV (U.K.) Limited.	U.K.
	WMNETSERV INC	U.S.
Wipro Technology Services Limited		India
Wipro Airport IT Services Limited*		India
Wipro Infrastructure Engineering Machinery (Changzhou) Co., Ltd.		China

* All the above direct subsidiaries are 100% held by the Company except that the Company holds 66.67% of the equity securities of Wipro Arabia Limited, 90% of the equity securities of Wipro Chandrika Limited and 74% of the equity securities of Wipro Airport IT Services Limited.

As of March 31, 2011, the Company 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:

Step Subsidiaries	Step Subsidiaries	Country of Incorporation
Wipro Unza Singapore 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

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Step Subsidiaries	Step Subsidiaries	Country of Incorporation
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
	Manufacturing Services Sdn Bhd	Malaysia
	UAA (M) 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, 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 the U.S.

We incurred capital expenditures of Rs. 16,746 million, Rs. 12,631 million and Rs. 12,211 million during the fiscal years ended March 31, 2009, 2010 and 2011, respectively. These capital expenditures were primarily incurred on new software development facilities in India for our IT Services and IT Products business segments. As of March 31, 2011, we had contractual commitments of Rs. 2,071 million (US\$47 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, 2011.

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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 11 sales and marketing offices in the United States.

We operate 16 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, China 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, 2011, we have capital commitments of Rs. 2,071 million (US\$47 million) related to the construction or expansion of our software development facilities. We currently intend to finance our additional expansion plans entirely through our operating cash flows and through cash and investments as of March 31, 2011.

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 million, except share data and where otherwise stated)

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

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

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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.

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 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.

Results of Operation

Our revenue and profit for the years ended March 31, 2009, 2010 and 2011 are provided below.

	Wipro Limited and subsidiaries				
	Years ended March 31,			Year on Year change	
	2009	2010	2011	2010-09	2011-10
	(in millions except earnings per share data)				
	Rs.	Rs.	Rs.		
Revenue ⁽¹⁾	255,338	271,574	310,987	6.36%	14.51%
Cost of revenue	(180,215)	(186,299)	(212,808)	3.38%	14.23%
Gross profit	75,123	85,275	98,179	13.51%	15.13%
Selling and marketing expenses	(17,313)	(18,608)	(22,172)	7.48%	19.15%
General and administrative expenses	(14,510)	(14,823)	(18,339)	2.16%	23.72%
Operating income	43,300	51,844	57,668	19.73%	11.23%
Profit attributable to equity holders	38,761	45,931	52,977	18.50% ⁽²⁾	15.34% ⁽²⁾
As a Percentage of Revenue:					
Selling and marketing expenses	6.78%	6.85%	7.13%	(7) bps	(28) bps
General and administrative expenses	5.68%	5.46%	5.90%	22 bps	(44) bps
Gross margins	29.42%	31.40%	31.57%	198 bps	17 bps
Operating Margin	16.96%	19.09%	18.54%	213 bps	(55) bps
Earnings per share					
Basic	15.99	18.91	21.74		
Diluted	15.90	18.75	21.61		

(1) 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, in Rs. 256,891, Rs. 271,957 and Rs. 310,542 for the years ended March 31, 2009, 2010 and 2011, respectively.

(2) Our adjusted non-GAAP profit for the year ended March 31, 2009, 2010, 2011 is Rs. 38,922, Rs. 45,862 and Rs. 52,601 an increase of 17.83% and 14.69% over the year ended March 31, 2009 and 2010, respectively. 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, 2010 and 2011, respectively:

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	Year ended March 31,		
	2009	2010	2011
	(In Percentage)		
Revenue:			
IT Services and Products			
IT Services	75	75	75
IT Products	13	14	12
Total	88	89	87
Consumer Care and Lighting	8	8	9
Others, including reconciling items	4	3	4
	100	100	100
Operating Income:			
IT Services and Products			
IT Services	93	92	92
IT Products	3	3	3
Total	96	95	95
Consumer Care and Lighting	6	6	6
Others, including reconciling items	(2)	(1)	(1)
	100	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	2011
	Rs.	Rs.	Rs.
Profit attributable to equity holders for the year as per IFRS	38,761	45,931	52,977
Adjustments:			
Accelerated amortization of stock options that vest in a graded manner	161	(69)	(376)
	Rs.	Rs.	Rs.
Adjusted non-GAAP profit	38,922	45,862	52,601

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

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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, 2011 and 2010

Our total revenues increased by 14.51%. This was driven primarily by a 16%, 21% and 44% increase in revenue from our IT Services, Consumer Care and Lighting and Others segment, including reconciling items, business segments, respectively. This increased revenue was partially offset by a decline in revenue from our IT Products business segment.

Our gross profit as percentage of our total revenue increased marginally by 17 basis points (bps). This was primarily on account of an increase in gross profit as a percentage of revenue from our IT Products segment by 41 bps, an increase in gross profit as a percentage of revenue from our Others segment, including reconciling items by 379 bps. This increase was partially offset by a decline in gross profit as a percentage of revenue from our IT Services and Consumer Care and Lighting segment.

Our selling and marketing expenses as a percentage of revenue increased from 6.85% for the year ended March 31, 2010 to 7.13% for the year ended March 31, 2011. In absolute terms selling and marketing expenses increased by 19.15%, primarily due to an increase in the IT Services and Consumer Care and Lighting segment.

Our general and administrative expenses as a percentage of revenue increased from 5.46% for the year ended March 31, 2010 to 5.90% for the year ended March 31, 2011. In absolute terms general and administrative expenses increased by 23.72%, primarily due to increased expenses in the IT Services segment and IT Products segment. This increase was partially offset by a decline in the Consumer Care and Lighting segment.

As a result of the foregoing factors, our operating income increased by 11.23%, from Rs. 51,844 for the year ended March 31, 2010 to Rs. 57,668 for the year ended March 31, 2011.

Our finance expenses increased from Rs. 1,324 for the year ended March 31, 2010 to Rs. 1,933 for the year ended March 31, 2011. This increase is primarily due to increase of Rs. 1,065 in exchange loss on foreign currency borrowings and related derivative instruments. This is partially offset by a lower interest expense by Rs. 456 during the year ended March 31, 2011, due to lower loans and borrowings.

Our finance and other income, increased from Rs. 4,360 for the year ended March 31, 2010 to Rs. 6,652 for the year ended March 31, 2011. Our interest and dividend income increased by Rs 2,408 during the year ended March 31, 2011 as compared to the year ended March 31, 2010. This was partially offset by decrease of Rs. 116 in the gain from sale of investments during the same period.

Our income taxes increased by Rs. 420, from Rs. 9,294 for the year ended March 31, 2010 to Rs. 9,714 for the year ended March 31, 2011. Adjusted for tax write-backs our effective tax rate declined from 17.8% for the year ended March 31, 2010 to 16.5% for the year ended March 31, 2011. This decline is primarily due to higher profit based deductions during the year ended March 31, 2011.

Our equity in earnings of affiliates for the years ended March 31, 2010 and 2011 was Rs. 530 and Rs. 648, 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. 7,046, or 15.34%, from Rs. 45,931 for the year ended March 31, 2010 to Rs. 52,977 for the year ended March 31, 2011.

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

Our total revenues increased by 6.36%. 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 a percentage of our total revenue increased by 198 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.

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Our selling and marketing expenses as a percentage of revenue increased marginally from 6.78% for the year ended March 31, 2009 to 6.85% 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 19.73%, from Rs. 43,300 for the year ended March 31, 2009 to Rs. 51,844 for the year ended March 31, 2010.

Our finance expenses declined from Rs. 3,824 for the year ended March 31, 2009 to Rs. 1,324 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 14.4% for the year ended March 31, 2009 to 17.8% for the year ended March 31, 2010. The increase is primarily attributable to an increase in the 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 BPO services. Our services offerings within the BPO area include customer interaction services, finance and accounting services and business process improvement services for repetitive processes.

Our IT Services segment accounted for 75% of our total revenue for each of the years ended March 31, 2009, 2010 and 2011, respectively. Our IT Services segment accounted for 93%, 92% and 92% of our total operating income for the years ended March 31, 2009, 2010 and 2011, respectively.

Year ended March 31,			Year on Year change	
2009	2010	2011	2010-09	2011-10

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	Rs.	Rs.	Rs.		
Revenue	191,613	202,490	234,850	5.68%	15.98%
Gross profit	63,140	70,346	81,404	11.41%	15.72%
Selling and marketing expenses	(10,581)	(10,213)	(12,642)	(3.48)%	23.78%
General and administrative expenses	(12,271)	(12,446)	(15,355)	1.43%	23.37%
Operating income	40,288	47,687	53,407	18.37%	11.99%
As a Percentage of Revenue:					
Selling and marketing expenses	5.52%	5.04%	5.38%	48 bps	(34) bps
General and administrative expenses	6.40%	6.15%	6.54%	25 bps	(39) bps

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	Year ended March 31,			Year on Year change	
	2009	2010	2011	2010-09	2011-10
Gross margin	32.95%	34.74%	34.66%	179 bps	(8) bps
Operating margin	21.03%	23.55%	22.74%	252 bps	(81) 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, Rs. 202,990 and Rs. 234,286 for the years ended March 31, 2009, 2010 and 2011, respectively.

Results of operations for the years ended March 31, 2011 and 2010

Our revenue from IT Services increased by 15.98%. In US terms our revenue increased by 18.93% from US\$4,390 million to US\$5,221 million. This increase is primarily on account of increase in volume by 16.8% and increase in onsite-offshore mix by 2.2%. This was partially offset by a decline in onsite price realization by 2.7% during the same period. Our average US/INR realization decreased from Rs. 46.12 for the year ended March 31, 2010 to Rs. 44.98 for the year ended March 31, 2011.

The increase of 18.93% was primarily due to a 24% increase in revenue from energy and utilities services, a 23% increase in revenue from financial services, a 22% increase in revenue from retail and transportation services, a 21% increase in revenue from telecom services, a 17% increase in revenue from manufacturing services and a 15% increase in revenue from healthcare services. In our IT Services segment, we added 155 new clients during the year ended March 31, 2011.

Our gross profit as a percentage of our revenue from our IT Services segment declined marginally by 8 bps. The decline in gross margin as percentage of revenue is primarily on account of an increase in personnel compensation cost and lower utilization rates during the year ended March 31, 2011 as compared to year ended March 31, 2010.

The increase in personnel cost by 1.6% is due to increased compensation as part of our annual compensation review and also due to increase compensation arising out of organization wide band change and annual progression cycle. Our average utilization of billable employees declined from 71.5% for the year ended March 31, 2010 to 69.9% for the year ended March 31, 2011.

Further our onsite price realization has reduced by 2.7% during the year ended March 31, 2011 as compared to year ended March 31, 2010. This is partially offset by a 0.7% increase in our offshore price realization during the year ended March 31, 2011 as compared to year ended March 31, 2010.

Selling and marketing expenses as a percentage of revenue from our IT Services segment increased from 5.04% for the year ended March 31, 2010 to 5.38% for the year ended March 31, 2011. This increase is primarily attributable to an increase in personnel cost due to increased compensation as part of our annual compensation review and annual progression cycle.

General and administrative expenses as a percentage of revenue from our IT Services segment increased from 6.15% for the year ended March 31, 2010 to 6.54% for the year ended March 31, 2011. This increase is primarily attributable to an increase in personnel cost due to increased compensation as part of our annual compensation review.

As a result of the above, operating income of our IT Services segment increased by 11.99%.

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

Our revenue from IT Services increased by 5.68%. In U.S. terms our revenue increased by 1.55% from US\$4,323 million to US\$4,390 million. Our average US/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 services, a 13% increase in revenue from energy and utilities services, an 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 a 19% decline in revenue from technology services and a 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

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US/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 5.52% for the year ended March 31, 2009 to 5.04% 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 18.37%.

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 solution and packaged software. Our IT Products segment accounted for 13%, 14% and 12% of our total revenue for the years ended March 31, 2009, 2010 and 2011, respectively. Our IT Products segment accounted for 3% of our operating income for each of the years ended March 31, 2009, 2010 and 2011, respectively.

	Year ended March 31,			Year on Year change	
	2009	2010	2011	2010-09	2011-10
	Rs.	Rs.	Rs.		
Revenue	34,277	38,205	36,910	11.46%	(3.39)%
Gross profit	3,391	4,054	4,067	19.55%	0.32%
Selling and marketing expenses	(1,361)	(1,275)	(1,284)	(6.32)%	0.71%
General and administrative expenses	(667)	(1,015)	(1,174)	52.17%	15.67%
Operating income	1,363	1,764	1,609	29.42%	(8.79)%
As a Percentage of Revenue:					
Selling and marketing expenses	3.97%	3.34%	3.48%	63 bps	(14) bps
General and administrative expenses	1.95%	2.66%	3.18%	(71) bps	(52) bps
Gross margin	9.89%	10.61%	11.02%	72 bps	41 bps
Operating margin	3.98%	4.62%	4.36%	64 bps	(26) 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, Rs. 38,361 and Rs. 37,036 for the years ended March 31, 2009, 2010 and 2011, respectively.

Results of operations for the years ended March 31, 2011 and 2010

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Our revenue from the IT Products segment decreased by 3.39% primarily due to initial hardware requirement in certain large transformational projects during the year ended March 31, 2010, which were in sustenance phase during the year ended March 31, 2011.

Our gross profit as a percentage of our revenue of our IT Products segment increased by 41 bps. This increase is primarily due to an increase in the proportion of revenues from high yield products.

Selling and marketing expenses as a percentage of revenue from our IT Products segment increased marginally from 3.34% for the year ended March 31, 2010 to 3.48% for the year ended March 31, 2011. In absolute terms selling and marketing expenses increased by Rs. 9.

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General and administrative expenses as a percentage of revenue from our IT Products segment increased from 2.66% for the year ended March 31, 2010 to 3.18% for the year ended March 31, 2011. In absolute terms general and administrative expenses increased by Rs. 159. This increase is primarily attributable to an increase in personnel cost due to increased compensation as part of our annual compensation review.

As a result of the above, operating income of our IT Products segment decreased by 8.79%.

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%, 8% and 9% of our revenue for the years ended March 31, 2009, 2010 and 2011, respectively. Our Consumer Care and Lighting segment accounted for 6% of our operating income for each of the years ended March 31, 2009, 2010 and 2011.

	Year ended March 31,			Year on Year change	
	2009	2010	2011	2010-09	2011-10
	Rs.	Rs.	Rs.		
Revenue	19,249	22,584	27,258	17.33%	20.70%
Gross profit	8,467	10,779	12,116	27.31%	12.40%
Selling and marketing expenses	(4,750)	(6,470)	(7,514)	36.21%	16.14%
General and administrative expenses	(1,125)	(1,207)	(1,152)	7.29%	(4.56)%
Operating income	2,592	3,102	3,450	19.68%	11.22%
As a Percentage of Revenue:					
Selling and marketing expenses	24.68%	28.65%	27.57%	(397) bps	108 bps
General and administrative expenses	5.84%	5.34%	4.23%	50 bps	111 bps
Gross margin	43.99%	47.73%	44.45%	374 bps	(328) bps
Operating margin	13.47%	13.74%	12.66%	27 bps	(108) 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. 19,303, Rs. 22,591 and Rs. 27,248 for the years ended March 31, 2009, 2010 and 2011, 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 southeast Asia and the Middle East and to introduce premium personal care products of Unza and Yardley in the Indian markets.

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Results of operations for the years ended March 31, 2011 and 2010

Our Consumer Care and Lighting revenue increased by 20.70%. This increase is attributable to an increase of approximately 20.87% in revenue from consumer products excluding Yardley sold in Indian markets and an increase of approximately 9.63% in revenue from personal care products sold in southeast Asian markets. Further, integration of our acquisition of Yardley has contributed an additional 5% 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, domestic lighting and institutional business.

Our gross profit as a percentage of our revenues from the Consumer Care and Lighting segment decreased by 328 bps. The increase in major input costs has contributed an approximately 3% reduction in gross margin. This was partially offset by Rs. 588 increase in gross profit due to integration of our acquisition of Yardley.

Selling and marketing expense as a percentage of revenue from our Consumer Care and Lighting segment declined from 28.65% for the year ended March 31, 2010 to 27.57% for the year ended March 31, 2011. In absolute terms selling and marketing expenses increased by Rs. 1,044. 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 5.34% for the year ended March 31, 2010 to 4.23% for the year ended March 31, 2011. In absolute terms general and administrative expenses decreased by Rs. 55. This is primarily due to higher provision for doubtful debt during the year ended March 31, 2010 as compared to year ended March 31, 2011.

As a result of the above, operating income from our Consumer Care and Lighting increased by 11.22%.

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 southeast 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 28.65% 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 19.68%.

Others, including reconciling items

Results of operations for the years ended March 31, 2011 and 2010

Revenue from our Others segment, including reconciling items, increased by 44.29%, from Rs. 8,295 for the year ended March 31, 2010 to Rs. 11,969 for the year ended March 31, 2011. The increase in revenue is attributable to increased demand for infrastructure engineering products in India and Europe.

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Operating income/(loss) from our Others segment, including reconciling items, increased from Rs. (709) for the year ended March 31, 2010 to Rs. (798) for the year ended March 31, 2011. The increase in loss is primarily due to increase in legal and professional expenses by Rs. 368, lower gains arising from exchange rate fluctuation by Rs. 319, payment of retrenchment compensation of Rs. 138. This is primarily offset by lower losses to the extent of Rs. 693 in our hydraulic cylinders and tipping gear systems business in Europe during the year ended March 31, 2011 as compared to year ended March 31, 2010.

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

Revenue from our Others segment, including reconciling items, decreased by 18.67%, from Rs. 10,199 for the year ended March 31, 2009 to Rs. 8,295 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. (943) for the year ended March 31, 2009 to Rs. (709) 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 and higher amortization charge for intangibles acquired through business combination.

Acquisitions

An active acquisition program is an important element of our corporate strategy. In the last three fiscal years, we have invested in the aggregate over Rs. 8,500 to acquire companies including the acquisition of Citi Technology Services Limited and Lornamead. On April 1, 2011, we entered into a definitive agreement to acquire the global oil and gas information technology practice of the Commercial Business Services Business Unit of Science Applications International Corporation (**SAIC**). SAIC's global oil and gas practice provides consulting, system integration and outsourcing services to global oil majors with significant domain capabilities in the areas of digital oil field, petro-technical data management and petroleum application services, addressing the upstream segment. The acquisition was completed on June 10, 2011 (acquisition date), after receipt of regulatory approvals. Typically the significant majority of our integration activities relating 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, 2011. 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

Our foreign exchange gains/(losses), net for the years ended March 31, 2009, 2010 and 2011 were Rs. (1,553), Rs. (383) and Rs. 445 respectively.

Our 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 stockholder's equity and subsequently recorded in the income statement when the hedged transactions occur, along with the hedged items.

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Although our functional currency is the Indian rupee, we transact a significant portion of our business in foreign currencies, in particular 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. Please refer to Notes 12 and 15 of our Notes to the Consolidated Financial Statements for additional details on our foreign currency exposures.

Finance expense

Our finance expense is comprised of 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, except foreign exchange gains/losses on short-term borrowings which are considered as a natural economic hedge for the foreign currency monetary assets which are classified as foreign exchange gains/losses, net within results from operating activities. 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%. Our share of profits of Wipro GE for the years ended March 31, 2009, 2010 and 2011 was Rs. 362, Rs. 530 and Rs. 648, respectively.

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. The tax holiday for all our Software Technology and Hardware Technology Park ended in fiscal year ended March 31, 2011.

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. The tax holiday for all our Software Technology and Hardware Technology Park ended in fiscal year ended March 31, 2011.

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. The tax holiday for all our Software Technology and Hardware Technology Parks ended in fiscal year ended March 31, 2011. 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 demands

were primarily on account of the Indian income tax authority's denial of deductions claimed by the Company under Section 10A of the Income Tax Act 1961, in respect of profits earned by the Company's undertakings in Software Technology Park at

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Bangalore. The appeals filed by the Company for the above years to the first appellate authority were allowed in favor of the Company, thus deleting a substantial portion of the demands raised by the income tax authorities. On further appeal filed by the income tax authorities, the second appellate authority upheld the claims 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 appeal filed before the first appellate authority against the said order has been allowed in favor of the Company thus deleting substantial demand raised by the income tax authorities.

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 had filed its objections against the said demand before the Dispute Resolution Panel, which later issued directions confirming the position of the assessing officer. Subsequently, the assessing officer passed the final assessment order in October 2010 raising a tax demand of Rs. 7,218 (including interest of Rs. 2,510). The Company filed an appeal against the said order before the tribunal within the time limit permitted under the statute.

In December 2010, the Company received the draft assessment order, on similar grounds, with a demand of Rs. 7,747 (including interest of Rs. 2,307) for the financial year ended March 31, 2007. The Company has filed an objection against the demand before the Dispute Resolution Panel, 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 favor, 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 sections 10A and 10B; consequently, we have calculated our domestic tax liability after considering MAT and accordingly, a deferred tax asset of Rs. 363 and Rs. 488 has been recognized in the statement of financial position as of March 31, 2010 and 2011, 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.

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 107, is summarized in the table below:

	Year ended March 31,			Year on Year Change	
	2009	2010	2011	2010-09	2011-10
Net cash provided by/(used in) continuing operations:					
	Rs.	Rs.	Rs.	Rs.	Rs.
Operating activities	36,099	50,998	40,437	14,899	(10,561)
Investing activities	(24,183)	(33,815)	(17,239)	(9,632)	16,576
Financing activities	(3,259)	(601)	(26,378)	2,658	(25,777)
Net change in cash and cash equivalents	8,657	16,582	(3,180)	7,925	(19,762)
Effect of exchange rate changes on cash and cash equivalent	663	(1,258)	523	(1,921)	1,781

As of March 31, 2011, we had cash and cash equivalent and short-term investments of Rs. 110,423. Cash and cash equivalent and short-term investments, net of debt was Rs. 57,621. In addition we have unused credit lines of Rs. 37,525. 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 decreased by Rs. 10,561, while profit for the year increased by Rs. 7,205 during the same period. The decrease in cash provided by operating activities is primarily due to an increase in current receivables including unbilled, attributable to an increase in number of receivable days in the IT Services segment from 61 days in March 2010 to 70 days in March 2011 and an increase in receivable days in the IT Products segment from 119 days in March 2010 to 131 days in March 2011. Further, operating cash flow is decreased due to increase in inventory days for consumer care and lighting and infrastructure services by 2 days and 4 days, respectively and also due to increase in finance lease receivables by Rs. 2,808, primarily relating to large projects. This is partially offset by the increase in trade payables and accrued expenses on account of better management of payment terms. Receivable days as of a particular

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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 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 the adjustment of Rs. 6,017 during the year ended March 31, 2010 as against Rs. (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.

Cash used in investing activities for the year ended March 31, 2011 was Rs. 17,239. Cash provided by operating activities was utilized for the net purchase of investments and inter-corporate deposits amounting to Rs. 11,772. We also purchased property, plant and equipment amounting to Rs. 12,211, which was primarily driven by the growth strategy of the Company.

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, 2011 was Rs. 26,378 as against Rs. 601 for the year ended March 31, 2010. This increase is primarily due to an increase in the net repayment of loans and borrowings amounting to Rs. 10,122 and payment of dividend amounting to Rs. 15,585.

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 an 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 27, 2011, our Board proposed a cash dividend of Rs. 4 (US\$0.09) per equity share and ADR. The proposal is subject to the approval of shareholders at the Annual General Meeting to be held on July 19, 2011, and if approved, would result in a cash outflow of approximately Rs. 11,410, including corporate dividend tax thereon.

We maintain 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 additional details on our borrowings.

As discussed above, cash generated from operations is our primary source of liquidity. We believe that our cash and cash equivalents 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, 2011, we had contractual commitments of Rs. 2,071 (US\$47) related to capital expenditures on construction or expansion of software development facilities, Rs. 10,265 (US\$230) related to non-cancelable operating lease obligations and Rs. 3,645 (US\$82) 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 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, 2010 and 2011, our cash and cash equivalent were primarily held in Indian Rupees, U.S. Dollars, Pound Sterling, Euro, Japanese Yen, Singapore Dollars and Saudi Riyals. Please refer to Financial risk management under Note 15 of our Notes to the Consolidated Financial Statements for more details on our treasury activities.

Table of Contents**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, 2011, aggregated by type of contractual obligation, is given below:

Particulars	Total contractual payment	Payments due in			2016-17 onwards
		2011-12	2012-14	2014-16	
	Rs.	Rs.	Rs. -	Rs. -	Rs. -
Short-term borrowings	31,694	31,694	Rs. -	Rs. -	Rs. -
Long-term debt	20,473	1,146	19,277	35	15
Obligations under capital leases	635	203	292	80	60
Estimated interest payment ⁽¹⁾	804	379	416	6	3
Capital commitments	2,071	2,071			
Non-cancelable operating lease obligation	10,265	1,828	3,207	1,936	3,294
Purchase obligations	3,645	3,645			
Other non-current liabilities ⁽²⁾	73		73		

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.

- (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, 2011 for each relevant debt instrument.
- (2) Other non-current liabilities and non-current tax liabilities in the statement of financial position include Rs. 2,633 in respect of employee benefit obligation and Rs. 5,021 towards uncertain tax position, respectively. 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 investment is directed towards developing solutions that have broad applications across various industry segments and developing expertise in emerging technologies. Our Research and Development focus is to strengthen the portfolio of Applied Research, Centers of Excellence (CoE), Solution Accelerators and Software Engineering Tools & Methodologies.

Our activities in Applied Research are focused around content analytics and e-discovery.

CoEs goal is to create competencies in emerging areas of technologies and industry domain and incubate new practices for business growth. In order to enhance focus, few technologies are driven centrally as theme initiatives. During the year ended March 31, 2011, the technology themes identified were Cloud Computing, Green IT, Social Computing, Information Management, Mobility, Collaboration and Open Source.

We continue to invest in reusable IP's and solution accelerators (components, tools, frameworks) which help in accelerating the implementation of solutions in customer engagements. We have integrated various accelerator assets to create integrated stacks and solution.

We continue to invest in in-house development of software engineering tools to improve productivity and quality. These tools have been widely deployed across projects. We continue to invest in developing an approach for flex shared delivery with innovative solution for effective queue and capacity management at reduced cost. We have developed an in-house Known Error Data Base (KEDB) tool that will help in faster ticket resolution in managed services projects.

Our research and development expenses for the years ended March 31, 2009, 2010 and 2011 were Rs. 492, Rs. 993 and Rs. 1,656, respectively.

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Trend Information

IT Services. The realm of Information Technology (IT) is a fast changing one. IT is also setting pace at which the world around us is changing. At the turn of the first decade of 21st century, challenges and opportunities facing the customers and consumers of IT have become very different than what they were a decade ago. Rightly so, as the world becomes a web of connected devices and better tools are available for making better decisions, the world is looking to leverage technology more than ever before.

With the global economic recession and its impact slowly receding in 2010, demand for IT services is on the growth curve once again. Customer organizations are re-aligning their budgets with spends more dominated by the business users as customers use IT to differentiate themselves in the market place.

Since the decline in world output by 0.6% in 2009, there have been steady signs of recovery. The world output is forecasted to expand by 4.4% in 2011. Gartner has forecast worldwide IT spending in 2011 will exceed US\$3.6 trillion, a 5.6% increase from 2010.

In this rapidly evolving and growing environment, we expect increased competition among IT companies, which may limit our ability to increase prices. However, we continually strive to differentiate ourselves from the competition by developing innovative service delivery models, better industry solutions, 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, 2011 is 34.66%. 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 establish deeper client relationships 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. Revenue for our Consumer Care and Lighting business segment is also subject to seasonal and 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.

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.

Table of Contents**New Accounting standards adopted**

We adopted *IFRS 3, Business Combinations* (*IFRS 3, (2008)*) and *IAS 27, Consolidated and Separate Financial Statements* (*IAS 27, (2008)*) effective April 1, 2010. The revisions result in several changes in the accounting for business combinations. Major changes relate to the measurement of non-controlling interests, the accounting for business combinations achieved in stages as well as the treatment of contingent consideration and acquisition-related costs. Based on the new standard, non- controlling interests may be measured at their fair value (full-goodwill-methodology) or at the proportional fair value of assets acquired and liabilities assumed. In respect of business combinations achieved in stages, any previously held equity interest in the acquiree is re-measured to its acquisition date fair value. Any changes to contingent consideration classified as a liability at the acquisition date are recognized in the statement of income. Acquisition-related costs are expensed in the period incurred. Adoption of *IFRS 3 (2008)* and *IAS 27, (2008)*, did not have a material effect on the consolidated financial statements.

We adopted an amendment to *IAS 39, Financial Instruments: Recognition and Measurement: Eligible Hedged Items* (*Amendment to IAS 39*) effective April 1, 2010. 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*. Adoption of this amendment did not have a material effect on the consolidated financial statements.

New accounting standards not yet adopted

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.

In October 2010, the IASB issued an amendment to *IFRS 7 Disclosures - Transfers of financial assets* . The purpose of the amendment is to enhance the existing disclosures in *IFRS 7* when an asset is transferred but is not derecognized and introduce new disclosures for assets that are derecognized but the entity continues to have a continuing exposure to the asset after the sale. The amendment is effective for fiscal years beginning on or after July 1, 2011. Earlier application is permitted. We are currently evaluating the impact these amendment will have on our consolidated financial statements.

In May 2010, the IASB issued *Improvements to IFRSs (2010 Improvements)* a collection of eleven amendments to six International Financial Reporting Standards and to one interpretation 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 amendments resulting from this standard are mainly applicable to the Company from fiscal year beginning on or after January 1, 2011. We are currently evaluating the impact, these amendments will have on our consolidated financial statements.

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.

Table of Contents*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. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognized on a straight-line basis over the specified period unless some other method better represents the stage of completion.
- 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;
 - 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.

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- 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, 2011.

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. 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.

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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, 2011, 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 the 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 the 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 the 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 acquisition 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. The cost of acquisition also includes the fair value of any contingent consideration. 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. Transaction costs incurred in connection with a business combination are expensed as incurred.

- 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 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, 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.

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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 and indefinite life intangible 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 the 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 useful life of the trademark and brand in respect of the acquired Wipro Yardley FZE (Formerly known as Lornamead FZE) and Wipro Yardley Consumer Care Private Limited (Formerly known as Lornamead Personal Care Private Limited) has been determined to be indefinite life intangible assets. For the purpose of impairment testing, indefinite life intangible are allocated to the Yardley businesses. 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 VIUs 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.
- b. Terminal value arrived by extrapolating last forecasted year cash flows to perpetuity using long-term growth rates: 2.5%-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 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 by 10% to 17%.
- d. Value-in-use is calculated using after tax assumptions. The use of after tax assumptions does not result in a value-in-use that is materially different from the value-in-use that would result if the calculation was performed using before tax assumptions. The after tax discount rate used ranges from 10% to 17%. The before tax discount rate is determined based on the value-in-use derived from the use of after tax assumptions, and ranges from 12.3% to 19.5%

Based on the above, no impairment was identified as of March 31, 2011, as the recoverable value of the CGUs exceeded the carrying value. Further, none of the CGU's tested for impairment as of March 31, 2011 were at risk of impairment. 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.

Table of Contents**Item 6. Directors, Senior Management and Employees****Directors and Senior Management**

Our directors and executive officers, their respective ages and positions as of March 31, 2011 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	54	CFO and Director
T. K. Kurien	52	CEO, IT Business and Director
Shyam Saran	64	Director
Anurag Behar	42	Chief Sustainability Officer
Vineet Agrawal	49	President, Wipro Consumer Care and Lighting
Pratik Kumar	45	Executive Vice President Human Resource and President Wipro Infrastructure Engineering
Martha Bejar	48	Chairperson and CEO, Infocrossing, Inc.
Sambuddha Deb	52	Chief Global Delivery Officer, Wipro Technologies

As on March 31, 2011, we had eight non-executive Directors, three executive Directors, of which one executive Director is also Chairman of our Board. All of the eight non-executive directors are independent directors (i.e. independent of management and free from any business or other relationship that could materially influence their judgment). All the independent directors satisfy the criteria of independence as defined under the listing agreement with the Indian Stock Exchanges and the New York Stock Exchange Corporate Governance standards. The profiles of our Directors as of March 31, 2011 are set forth below.

Azim H. Premji has served as our Chief Executive Officer, Chairman and Managing Director (designated as Chairman) since September 1968. More recently, Mr. Azim Premji, Chairman, Wipro Limited has been honored with the Padma Vibhushan award by Government of India for his contribution in trade and industry. Azim Premji is a graduate in Electrical Engineering from Stanford University, USA.

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 ABP Pvt. Ltd (Ananda Bazar Patrika Group). Dr. Ganguly also currently serves as a non-executive Director of Mahindra & Mahindra Limited and Dr Reddy Laboratories Limited. Dr. Ganguly is the chairman of Research and Development Committee of Mahindra and Mahindra Ltd, Member of Nomination, Governance & Compensation Committee and Chairman of Science, Technology & Operations Committee of Dr Reddy's Laboratories Ltd. He is a member of the Prime Minister's Council on Trade and Industry and the India-USA CEO Council, established 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. Dr. Ganguly was awarded Padma Bhushan by the Government of India in January 1987 and Padma Vibhushan in January 2009.

B.C. Prabhakar has served as a Director on our Board since February 1997. He has 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 of Wipro Limited.

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 also serves on the boards of Safari Industries and Manipal Acunova Ltd. 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, USA. Dr. Sheth is a member of Compensation Committee of Safari Industries and Chairman of Academy of Indian Marketing Professionals.

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Narayanan Vaghul has served as a Director on our Board since June 1997. He is the Chairman of our Audit, Risk and Compliance Committee, a member of the Board Governance & Nomination Committee and a member of the Compensation Committee. He was the Chairman of the Board of ICICI Bank Limited from September 1985 to 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 on the Boards of Hemogenomics Pvt. Ltd., Universal Trustees Pvt. Ltd., and IKP Trusteeship Services Limited. Mr. Vaghul is the Chairman of the Compensation Committee of Mahindra and Mahindra Limited and Piramal Healthcare Limited. Mr. Vaghul is also a member of the Audit Committee in Nicholas Piramal India Limited. Mr. Vaghul is a member of the Remuneration Committee of Mahindra World City Developers Limited and Apollo Hospitals Enterprise 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, by the Government of India during the year 2009-10. Mr. Vaghul also received the Economic Times Lifetime Achievement Award.

Priya Mohan Sinha became a Director of our Company on 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 of Bata India Limited, Lafarge India Pvt. Limited. Mr. Sinha is also a member of Audit Committee of Bata India Ltd., Chairman of Shareholders Grievance Committee of Bata India Ltd. and Chairman of Nomination, Governance and Compensation Committee of Bata India Ltd. He was also the Chairman of Reckett Coleman India Limited and Chairman of Stephan Chemicals India Limited. Mr. Sinha is also on the Advisory Board of Rieter India. Mr. Sinha holds a Bachelor of Arts from Patna University, and he has also attended the Advanced Management Program at the Sloan School of Management, Massachusetts Institute of Technology.

William Arthur Owens has served as a Director on our Board since July 1, 2006. He is also a member of the 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, Flow Mobile, Unifrax and Chairman of Century Link Inc., a media communications company. Mr. Owens holds an 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.

Suresh C. Senapaty has served as our Chief Financial Officer and Executive Director since April 2008 and served with us in other positions since April 1980. He is a member of the Administrative/Shareholders & Investor Grievance Committee. Mr. Senapaty holds a B. Com. from Utkal University in India, and is a Fellow Member of the Institute of Chartered Accountants of India. Mr. Senapaty is on the Boards of the following Indian subsidiaries: 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.

T. K. Kurien has served as our Chief Executive Officer-IT Business and Executive Director of Wipro Limited since February 2011 and has served with us in other positions since February 2000. Mr. Kurien is a Chartered Accountant and holds a Bachelors Degree in Engineering. Mr. Kurien is also a member of the Board of Wipro GE Healthcare Private Limited.

Shyam Saran became a Director of our Company on July 1, 2010. He is a career diplomat who has served in significant positions in the Indian government for over three decades. He belongs to the 1970 batch of the Indian

Foreign Service. He last served as the 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 he was the Foreign Secretary of the Government of India from 2004 to 2006. He also served as the Ambassador of India to Nepal, Indonesia, Myanmar and Mauritius. His diplomatic stints have taken him to Indian missions in Geneva, Beijing and Tokyo. He 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. Mr. Saran has been honored with the Padma Bhushan by the Government of India for his contribution in civil services.

Dr. Henning Kagermann became a Director of the Company on October 27, 2009. He served as Chief Executive officer of SAP AG until 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, Nokia and BMW Group in Germany. Dr. Henning Kagermann is a professor for Theoretical

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Physics at the Technical University Braunschweig, Germany and received honorary doctorate from the University of Magdeburg, Germany.

Anurag Behar has served as CEO of Wipro Infrastructure Engineering and in other positions since March 2008 and has served with us in other positions since May 2002. Mr. Anurag Behar holds an M.B.A 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 of 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.

Martha Bejar has served as Chairperson and CEO at Infocrossing, Inc. since April 2011, and has served in other positions with us since July 2009. From June 2007 to June 2009, Ms. Bejar served as Corporate Vice President for the Communications Sector at Microsoft Corporation. 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 an M.B.A from Nova Southeastern University (USA) and BSIE from University of Miami (USA).

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

Compensation**Director Compensation**

Our 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 US\$449 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.

During the year ended March 31, 2011, we paid an aggregate of US\$0.54 million (Rs. 24.95 million) as commission to our non-employee directors.

Executive Compensation

The annual compensation of our executive directors is approved by our 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 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 variable performance linked incentive portion is earned under our Quarterly Performance Linked Scheme. This is a variable pay program for all employees, including executive officers, which is deemed to be part of each employee's salary. Until March 31, 2010, variable payments are made to employees based on the individual or combined performance of the business unit, division or segment or the Company as a whole. Generally, the profit targets for each department are set quarterly, and payment amounts vary based on actual achievements. These payments are made on a quarterly basis for all employees except for certain members of senior management who receive payouts on a quarterly basis but adjusted at the end of the year based on the performance for the full year. For the year ended March 31, 2011, the payments under our Quarterly Performance linked Scheme are a fixed amount of the employee's annual remuneration and are not dependent on quarterly or annual performance.

The following tables present the annual and long-term compensation earned, awarded or paid for services rendered to us for the fiscal year 2011 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 have been translated into U.S. dollars based on the certified foreign exchange rates published by Federal Reserve Board of New York on March 31, 2011, which was Rs. 44.54 per US\$1.00.

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Name	Annual Compensation (US\$)				Long-term compensation (Deferred Benefit (3)&(4))	Severance pay (5)
	Salary and allowances	Commission/ Incentives (1)	Housing (2)	Others		
Azim H. Premji	US\$ 96,771	US\$ 19,533	US\$90,930	US\$20,987	US\$22,897	US\$
Suresh C. Senapaty	191,691	142,793	33,678	39,107	39,047	
Pratik Kumar	190,955	139,129		15,822	28,032	
Vineet Agrawal	217,779	150,579		1,995	41,577	
Suresh Vaswani*	252,430	173,529	6,789	9,438	47,301	1,549,620
Martha Bejar	572,004	699,308				
Girish S. Paranjpe*	230,708	163,145	11,682	17,506	46,455	1,553,415
Sambuddha Deb	160,441	108,226		9,928	30,818	
T. K. Kurien	273,738	99,451		14,653	36,090	
Anurag Behar	62,802	50,894		9,569	9,991	

* Information provided up to the date of their employment with the Company.

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 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 2011.
3. Deferred benefits are payable to employees by way of our contribution to the Provident Fund and Pension Fund. The Provident 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.
5. Pursuant to the recommendations of the Board Governance and Nomination Committee and authorization by the Board of Directors on January 21, 2011, a severance package was paid to Mr. Girish Paranjpe and Mr. Suresh Vaswani upon their resignation as Joint CEOs (IT Business) and Directors with effect from close of business hours on January 31, 2011. An abstract of modification of the terms of appointment of Joint CEOs (IT Business) and Directors and Memorandum of Interest pursuant to Section 302 of the Companies Act, 1956 has already been sent to the shareholders. In compliance with the provisions of Section 269 and 309 read with Schedule XIII of the

Companies Act, 1956, the modification in terms of appointment and remuneration as specified above, will be placed before the shareholders at the ensuing Annual General Meeting in July 2011 for their approval.

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 15. As of March 31, 2011, we had 11 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. Suresh C. Senapaty, Mr. William Arthur Owens and Mr. B. C. Prabhakar retire by rotation and are proposed for re-election at Annual General Meeting of shareholders to be held on July 19, 2011. In addition to retiring directors, up to one third of our directors are non-retiring directors. Currently, Mr. Azim H. Premji and Mr. T. K. Kurien are non-retiring directors. The tenure of appointment of Mr. Suresh C. Senapaty and Mr. T. K. Kurien is for a period of five years from the date of their original date of appointment as members of the Board. The terms and expiration date of each director is as follows:

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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 2011	Retirement by rotation
N. Vaghul	Annual General Meeting 2012	Retirement by rotation
P. M. Sinha	Annual General Meeting 2012	Retirement by rotation
William Arthur Owens	Annual General Meeting 2011	Retirement by rotation
Shyam Saran	Annual General Meeting 2013	Retirement by rotation
Dr. Henning Kagermann	Annual General Meeting 2013	Retirement by rotation
Suresh C. Senapaty	Annual General Meeting 2011	Retirement by rotation
T. K. Kurien	January 31, 2016	5 years

Option Grants

There were no option grants to our Chief Executive Officer, Chairman and Managing Director (designated as Chairman) in the fiscal years 2010 and 2011. Details of options granted to other senior management executives as of March 31, 2011 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 fiscal year ended March 31, 2011. The details of stock options held and exercised through March 31, 2011 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, Anurag Behar, T.K. Kurien, Sambuddha 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. Service contracts with our executive directors provide for our standard retirement benefits that consist of a pension and gratuity which are offered to all of our employees, but no other benefits upon termination of employment except as mentioned below.

Mr. T. K. Kurien's terms of appointment regarding severance payment are as follows:

If the Company terminates this Agreement, the Company will communicate the same in writing to the Director who will be eligible for Severance Benefits as follows:

- a. 12 (twelve) months last drawn Salary. Salary includes basic pay, benefits and allowances and variable pay.
- b. The unvested options/RsUs shall vest proportionately to the completed months in service from the last vesting/grant date of each grant, whichever is later, to the date of termination. This is applicable only to a grant where one year has lapsed since the date of grant, at the time of termination. This may be exercised by Mr. Kurien within 7 (seven) days from termination of this Agreement.

In the event the Company terminates for Cause, such termination shall be with immediate effect and Mr. Kurien will not be eligible for the Severance Benefits specified above.

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

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or officer, including claims which are covered by the Insurance Policy on Director's and Officer's 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

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
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Mr. P. M. Sinha and Mr. B. C. Prabhakar	Members of the Audit Committee
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During the fiscal year 2011, our Audit/Risk and Compliance Committee held ten meetings including meetings held over teleconferencing. 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
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Mr. N. Vaghul, Mr. P.M. Sinha and Mr. Bill Owens	Members of the Board Governance and Nomination Committee
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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, and

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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 fiscal year 2011, 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 Compensation Committee

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

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; and

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 fiscal year 2011, our Compensation Committee held four meetings.

Employees

As of March 31, 2010 and 2011, we had over 108,000 and over 120,000 employees including our subsidiaries and over 87,000 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

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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.

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 and 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 March 31, 2011, 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, 2011, which was Rs. 44.54 per US\$1.00. The share numbers and percentages listed below are based on 2,454,409,145 equity shares outstanding as of March 31, 2011.

Name	Equity Shares beneficially owned	Percentage of Total Equity Shares Outstanding	Equity Shares Underlying Options Granted	Exercise Price(US\$)	Date of expiration
Azim H. Premji ⁽¹⁾	1,945,953,763	79.28			
B. C. Prabhakar ⁽²⁾	5,000	*			
Dr. Jagdish Sheth					
Dr. Ashok S Ganguly	1,666				
N. Vaghul					

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P. M. Sinha ⁽³⁾	33,333	*			
Suresh C. Senapaty	91,083	*	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

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Name	Equity Shares beneficially owned	Percentage of Total	Equity Shares	Underlying Options	Exercise Price(US\$)	Date of expiration
		Equity Shares Outstanding	Granted			
Vineet Agrawal	196,032	*	4,667	40,000	0.05	July 2012
				40,000	0.05	May 2014
				40,000	0.05	July 2016
Sambuddha Deb	63,333	*	4,000	18,000	0.05	July 2012
				18,000	0.05	May 2014
				18,000	0.05	July 2016
T K Kurien	66,345	*	4,000	50,000	0.05	July 2012
				30,000	0.05	May 2014
				30,000	0.05	July 2016
Martha Bejar		*	66,667	16,600	0.05	October 2015
				16,600	0.05	July 2016
Anurag Behar	23,432	*	3,333	13,334	0.05	July 2012
				13,334	0.05	May 2014
Dr. Henning Kagermann						
William Arthur Owens						
Shyam Saran						

* Represents less than 1% of the total equity shares outstanding as of March 31, 2011.

- (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, 187,666 shares held by Napean Trading Investment Co. Pvt. Ltd., of which Mr. Premji is a director, 187,666 shares held by Regal Investments Trading Co. Pvt. Ltd., of which Mr. Premji is a director, 187,666 shares held by Vidya Investment Trading Co. Pvt. Ltd., of which Mr. Premji is a director, 213,000,000 shares held by Azim Premji Trust, of which Azim Premji Trustee Company Private Limited is the trustee company, of which Mr. Premji is a director and sole shareholder of the trustee company, and 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.

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The salient features of our stock plans are as follows:

Name of Plan	Authorized Shares⁽¹⁾ & (2)	Range of exercise prices	Effective date	Termination date	Other remarks
1999 Employee Stock Option Plan	50,000,000	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)	250,000,000	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.
Stock Option Plan (2000 ADS Plan)	15,000,000	US\$ 3 7	September, 2000	September, 2010	There are no stock options outstanding under this plan.
Wipro Restricted Stock Unit Plan (WRSUP 2004 plan)	20,000,000	Rs. 2	June 11, 2004	June 10, 2014	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
Wipro ADS Restricted Stock Unit Plan (WARSUP 2004 plan)	20,000,000	US\$ 0.04	June 11, 2004	June 10, 2014	
Wipro employee Restricted Stock Unit Plan 2005 (WSRUP 2005 plan)	20,000,000	Rs. 2	July 21, 2005	July 20, 2015	
Wipro employee Restricted Stock Unit Plan 2007 (WSRUP 2007	16,666,667	Rs. 2	July 18, 2007	July 17, 2017	

plan)

units shall vest immediately, and become exercisable in full.

- (1) Subject to adjustment for corporate action from time to time.
- (2) Adjusted for the two equity shares for every three equity shares stock dividend approved by the shareholders on June 4, 2010

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 March 31, 2011, of each person or group known by us to own beneficially 5% or more of our outstanding equity shares.

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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 2,454,409,145 equity shares outstanding as of March 31, 2011.

Name of Beneficial Owner	Class of Security	Number of Shares	
		beneficially held as of March 31, 2011	% of Class
Azim H. Premji (1)	Equity	1,945,953,763	79.28
Hasham Traders	Equity	543,765,000	22.15
Prazim Traders	Equity	541,695,000	22.07
Zash Traders	Equity	540,408,000	22.02

(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, 187,666 shares held by Napean Trading Investment Co. Pvt. Ltd., of which Mr. Premji is a director, 187,666 shares held by Regal Investments Trading Co. Pvt. Ltd., of which Mr. Premji is a director, 187,666 shares held by Vidya Investment Trading Co. Pvt. Ltd., of which Mr. Premji is a director, 213,000,000 shares held by Azim Premji Trust, of which Azim Premji Trustee Company Private Limited is the trustee company, of which Mr. Premji is a director and sole shareholder of the trustee company, and 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 March 31, 2011, are held by approximately 12,544 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 6.32% of the Company's equity shares were held by these FIIs, and NRIs as of March 31, 2011, 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.

Related parties. The Company has relationship with the following related parties:

Country of

Name of entity	Nature	% of holding	Incorporation
Wipro GE Healthcare Private Limited	Associate	49%	India
Azim Premji Foundation	Entity controlled by Director		
Azim Premji Trust	Entity controlled by Director		
Hasham Premji (partnership firm)	Entity controlled by Director		
Prazim Traders (partnership firm)	Entity controlled by Director		
Zash Traders (partnership firm)	Entity controlled by Director		
Regal Investment Trading Company Private Limited	Entity controlled by Director		
Vidya Investment Trading Company private Limited	Entity controlled by Director		
Napean Trading Investment Company Private Limited	Entity controlled by Director		

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Name of entity	Nature	% of holding	Country of Incorporation
Key management personnel			
- Azim Premji	Chairman and Managing Director		
- Suresh C Senapaty	Chief Financial Officer and Director		
- Suresh Vaswani	Jt CEO, IT Business and Director ⁽¹⁾		
- Girish S Paranjape	Jt CEO, IT Business and Director ⁽¹⁾		
- T K Kurien	CEO, IT Business and Director ⁽²⁾		
- Dr. Ashok Ganguly	Non-Executive Director		
- Narayan Vaghul	Non-Executive Director		
- Dr. Jagdish N Sheth	Non-Executive Director		
- P.M Sinha	Non-Executive Director		
- B.C. Prabhakar	Non-Executive Director		
- Bill Owens	Non-Executive Director		
- Dr. Henning Kagermann	Non-Executive Director		
- Shyam Saran	Non-Executive Director		

Relative of Key management personnel

- Rishad Premji Relative of the Key management personnel

(1) Up to January 31, 2011

(2) W.e.f February 01, 2011

The Company has the following related party transactions:

Transaction/ Balances	(Rs. in millions)					
	Associate		Entities controlled by Directors		Key Management Personnel	
	2010	2011	2010	2011	2010	2011
Sale of goods and services	7	18	1			
Dividend			4,418	10,362	234	536##
Royalty income	32					
Key management personnel# Remuneration and short-term benefits					175	260
Other benefits					34	30
Remuneration to relative of key management personnel					4	5

Balances as on March 31,

Receivables	1	7			
Payables			2	44	8

Post employment benefit comprising gratuity, and compensated absences are not disclosed as these are determined for the Company as a whole.

Including relative of key management personnel

The parent Company has engaged in the following significant transactions with its subsidiaries, listed in Organization Structure under Item 4, during the years ended March 31, 2010 and 2011:

Name of the entity	(Rs. in millions)					
	Sale of services		Purchase of services		Purchase of goods	
	2010	2011	2010	2011	2010	2011
Wipro Inc	3,519	4,144	254	383		
Infocrossing Inc	6	491	237	839		
Wipro Japan KK			186	373		
Wipro Shanghai Limited	108	65	112	204		
Unza Holdings Limited					35	61
Wipro Portugal S. A.	536	498	1,369	783		
New Logic Technologies GmbH	97	286	77	40		
Wipro Technologies S.A DE C.V	68	71	37	107		
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Name of the entity	Sale of services		(Rs. in millions) Purchase of services		Purchase of goods	
	2010	2011	2010	2011	2010	2011
Wipro Information Technology, Netherlands BV	136	175				
Wipro Technologies Limited, Russia	23	32				
Wipro Technologies OY	65	51	297	635		
Wipro Gallagher Solutions Inc	60	116	15	20		
Wipro Holdings UK Limited	222	226				
Wipro Poland Sp Zoo				193		
Wipro Technologies SRL-BPO			150	937		
Wipro Infrastructure Engineering Machinery (Changzhou) Company Limited				228		
Wipro Retail UK Limited				710		
SAS Wipro France				16		
Wipro do Brasil Tecnologia Ltda				7		
Wipro (Australia) Pty Ltd	11	52				
Wipro Airport IT Services-Products division		194				

Please refer to Note 28 to the Consolidated Financial Statements included in this Annual Report on Form 20-F for additional information on related party transactions.

Item 8. Financial Information**Consolidated Statements and Other Financial Information**

Please refer to the following financial statements and the Auditor's Report under Item 18 in this Annual Report for the fiscal year ended March 31, 2011:

Report of the independent registered public accounting firm;

Consolidated Statements of Financial Position as of March 31, 2010 and 2011;

Consolidated Statements of Income for the years ended March 31, 2009, 2010 and 2011;

Consolidated Statements of Comprehensive Income for the years ended March 31, 2009, 2010 and 2011;

Consolidated Statements of Changes in Equity for the years ended March 31, 2009, 2010 and 2011;

Consolidated Statements of Cash Flows for the years ended March 31, 2009, 2010 and 2011; and

Notes to the Consolidated Financial Statements.

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.

Export revenue

For the years ended March 31, 2009, 2010 and 2011, we generated Rs. 200,393 million, Rs. 209,395 million and Rs. 243,083 million, or 78.48%, 77.10% and 78.17% of our total revenues of Rs. 255,338 million, Rs. 271,574 million and Rs. 310,987 million, respectively, from the export of our products and rendering of services outside of India.

Legal Proceedings

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

Table of Contents**Dividends**

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 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 year 2010, we paid a final cash dividend of Rs. 4 per share. During fiscal year 2011, we paid a final cash dividend of Rs. 6 per share. During fiscal year 2011, we also allotted stock dividend consisting of two equity shares for every three equity shares outstanding on the record date and two ADSs for every three ADSs outstanding on the record date. The stock dividend did not affect the ratio of ADSs to equity shares, such that each ADS after the stock dividend will continue to represent one equity share of par value of Rs. 2 per share. During fiscal year 2011, we also paid an interim dividend of Rs 2 per share.

We have proposed to pay a final cash dividend of Rs. 4 (US\$0.09) per share on our equity shares and ADRs. This proposal is subject to approval by the shareholders of the Company. We expect a dividend payout (including dividend tax) of approximately Rs. 11,410.

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 (**BSE**) and The National Stock Exchange of India Limited, (**NSE**). Our American Depositary Shares, as evidenced by American Depositary Receipts, or ADRs, are traded in the U.S. on the New York Stock Exchange, (**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 March 31, 2011, we had 2,454,409,145 issued and outstanding equity shares. As of March 31, 2011, there were approximately 12,544 record holders of ADRs evidencing 41,296,685 ADSs equivalent to equity shares. As of March 31, 2011, there were 220,238 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 (US\$)	Low (US\$)	High (Rs.)	Low (Rs.)	High (US\$)	Low (US\$)	High (US\$)	Low (US\$)
2011	499.90	305.20	11.22	6.85	500.00	253.30	11.23	5.69	16.81	7.95
2010	753.00	240.00	16.91	5.39	755.85	240.15	16.97	5.39	24.29	6.90
2009	537.90	181.70	12.08	4.08	535.00	180.40	12.01	4.05	14.53	5.04
2008	600.00	325.00	13.47	7.30	635.00	324.00	14.26	7.27	17.24	9.85
2007	690.00	383.00	15.49	8.60	691.00	381.25	15.51	8.56	18.44	10.18

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	BSE				NSE				NYSE	
	Price per equity share				Price per equity share				Price per ADS	
	High (Rs.)	Low (Rs.)	High (US\$)	Low (US\$)	High (Rs.)	Low (Rs.)	High (US\$)	Low (US\$)	High (US\$)	Low (US\$)
March 31, 2011	494.95	407.35	11.11	9.15	496.80	407.50	11.15	9.15	15.78	12.50
December 31, 2010	499.90	398.00	11.22	8.94	500.00	397.50	11.23	8.92	16.81	13.44
September 30, 2010	452.00	327.85	10.15	7.36	454.40	372.10	10.20	8.35	14.89	11.75
June 30, 2010	419.22	228.69	9.41	5.13	405.54	380.00	9.11	8.53	13.80	7.15
March 31, 2010	753.00	535.00	16.91	12.01	755.85	630.15	16.97	14.15	24.29	19.10
December 31, 2009	699.00	548.50	15.69	12.31	699.90	548.00	15.71	12.30	23.00	17.00
September 30, 2009	605.00	362.30	13.58	8.13	605.90	365.50	13.60	8.21	17.99	10.62
June 30, 2009	454.00	240.00	10.19	5.39	459.95	240.15	10.33	5.39	13.00	6.90
Six Months ended										
May 31, 2011	453.90	428.00	10.19	9.61	453.50	428.00	10.18	9.61	14.38	13.21
April 30, 2011	490.15	440.00	11.00	9.88	490.00	439.50	11.00	9.87	15.39	13.63
March 31, 2011	482.20	431.00	10.83	9.68	484.70	431.65	10.88	9.69	14.75	12.84
February 28, 2011	459.80	407.35	10.32	9.15	460.00	407.50	10.33	9.15	13.90	12.50
January 31, 2011	494.95	425.00	11.11	9.54	496.80	424.60	11.15	9.53	15.78	12.83
December 31, 2010	496.30	413.00	11.14	9.27	496.25	412.15	11.14	9.25	15.69	13.77

The US\$ figure under BSE and NSE columns denote the share price in rupees converted to US\$ at the rate of exchange of 1 US\$ = Rs. 44.54

- (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 (the **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. The 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 the Exchanges normally takes place from 09:00 a.m. to 3:30 p.m. on all

weekdays, except holidays. The 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 attacks 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 market, as well as stock specific margins from the members. There are generally no restrictions on price movements of any

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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, 2011 was approximately US\$1.51 trillion. 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 depositaries on the one hand and the clearing banks on the other to provide delivery versus payment settlement for depositary-enabled trades.

The NSE has 1,215 members.

Bombay Stock Exchange Limited

The estimated aggregate market capitalization of stocks trading on the BSE as of March 31, 2011, was approximately US\$1.54 trillion. The BSE began allowing online trading in May 1995. BSE has 1,340 trading members. 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 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.

Table of Contents**Securities Transaction Tax**

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

Selling Shareholders

Not applicable.

Dilution

Not applicable.

Expenses of the Issue

Not applicable.

Item 10. Additional Information**Share Capital**

Our authorized share capital is Rs. 5,550,000,000 divided into 2,650,000,000 equity shares of Rs.2/- each and 25,000,000 preference shares of Rs.10/- each. As of March 31, 2011, 2,454,409,145 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.

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, as 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 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 15. As of March 31, 2011, we have 11 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 and Mr. T K Kurien are non-retiring directors. 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 the 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

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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.

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.

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

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 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

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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 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, changes to certain clauses in the Memorandum of Association, the commencement of a new line of business 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,

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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 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. The Indian Government has recently permitted electronic voting subject to certain conditions.

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 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, 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 45 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

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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.

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 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.

Table of Contents**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 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 US\$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 American Depository Shares (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/ Global Depository Shares (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 Depositary Receipt Mechanism), Scheme 1993 and primarily the amendments were on the Eligibility of Issuer, Eligibility of Subscriber, Pricing of the offerings, and Voting Rights;

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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;

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

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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.

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. If 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% of their net worth in overseas Joint Ventures and/or Wholly Owned Subsidiaries (JV/WOS) in any bonafide business activity under automatic route.

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:

a period or periods amounting to 182 days or more; or

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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%. Finance Act 2011 has proposed to reduce the rate of surcharge to 5% from the present rate of 7.5%, based on which the effective tax on Dividend distributed is 16.22%, further with effect from 01.06.2011, the SEZ developers profits will also be included while calculating the DDT, which was earlier exempt from dividend distribution tax.

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 7.5% will be levied on the above taxes (Finance Act 2011 reduced this surcharge to 5%, effective as of April 1, 2011). 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

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(FCCB). Effective April 2008, the conversion of FCCB s into shares or debentures of any company shall not be treated as a 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 (the Finance Bill 2011 has proposed to reduce the surcharge to 2% with effect from April 1, 2011) 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 depositary in exchange for ADSs,

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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 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. The 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 US\$561), 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. The Finance Act 2009 has inserted a new section 56(vii) w.e.f 01.10.2009 to tax at a maximum rate of 30%, any sum of money or any immovable property received by an Individual or HUF without consideration exceeding Rs. 50,000 (Stamp duty value in case of immovable property) during the year. The same is exempt from tax if it is received from any relative, occasion of marriage, under a will or by way of inheritance, contemplation of death of the payer or donor. 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.

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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.

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 depository, 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.

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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.

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, 2011. 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 2011 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

Copies of these materials can also be obtained from the Public Reference Section of the SEC, 100 F Street, NE., Washington, DC 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.

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

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, 2011, Rs.1 increase/decrease in the spot exchange rate of Indian Rupee with U.S. dollar would result in approximately Rs. 810 decrease/increase in the fair value of our foreign currency dollar denominated derivative instruments.

As at March 31, 2011, 1% change in the exchange rate between U.S. Dollar and Yen would result in approximately Rs. 170 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. 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, 2011, 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, 2011, additional annual interest expense on our floating rate borrowing would amount to approximately Rs. 500.

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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 March 31, 2010 and 2011, respectively and revenues for the year ended March 31, 2009, 2010 and 2011, 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, 2011, 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, US\$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)

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expenses of the Depository in connection with the conversion of foreign currency into US\$ (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.

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, 2011, the depository reimbursed US\$1,032,624.94. 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 year ended March 31, 2011.

Category of Expenses	Amount reimbursed for the year ended March 31, 2011
Legal and accounting fees incurred in connection with preparation of Form 20F and ongoing SEC compliance and listing requirements	US\$1,032,624.94
Investor relations	Nil
Advertising and public relations	Nil
Broker reimbursements (1)	(Details provided under Indirect Payments)

- 1) 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 US\$215,000. J.P. Morgan has also paid the following expenses on our behalf: US\$45,671.41

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 year ended March 31, 2011.

Category of Expenses	Amount reimbursed for the year ended March 31, 2011
Third party expenses paid directly	US\$45,671.41 (Broker reimbursements, postage, printing and DTC report fees)
Service Fees waived	Up to US\$215,000 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.

Based on their evaluation as of March 31, 2011, our principal executive officer and principal financial officer have concluded that 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, 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

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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, 2011. 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). Based on this assessment, management concluded that our internal control over financial reporting was effective as of March 31, 2011.

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, 2011.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Equity holders

Wipro Limited:

We have audited Wipro Limited and subsidiaries (the Company) internal control over financial reporting as of March 31, 2011, 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, 2011, 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 March 31, 2010 and 2011, and the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for each of the years in the three-year period ended March 31, 2011, and our report dated June 16, 2011 expressed an unqualified opinion on those consolidated financial statements.

KPMG

Bangalore, India

June 16, 2011

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During the period covered by this Annual Report, there were no 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.

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, former employees, consultants, vendors and service providers 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 and others 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 they 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.

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	Year ended March 31,	
	2010	2011
Audit fees	Rs. 82	Rs. 89
Tax fees	36	44
All other fees	11	10
Total	Rs. 129	Rs. 143

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.

- d. Criteria for determining directors to be independent also differ between the two countries Listing requirements.

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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.

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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, 2011 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
June 16, 2011

N.Vaghul
Chairman

P. M. Sinha
Member

B. C. Prabhakar
Member

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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: June 16, 2011

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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 March 31, 2010 and 2011 and the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for each of the years in the three-year period ended March 31, 2011. 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 March 31, 2010 and 2011, and the results of their operations and their cash flows for each of the years in the three-year period ended March 31, 2011, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We have also 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, 2011, 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 June 16, 2011 expressed an unqualified opinion on the effectiveness of the Company s internal control over financial reporting.

KPMG

Bangalore, India

June 16, 2011

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WIPRO LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Rupees in millions, except share and per share data, unless otherwise stated)

	Notes	2010	As at March 31, 2011	2011 Convenience Translation into US\$ in millions (Unaudited) Refer note 2(iv)
ASSETS				
Goodwill	5	53,802	54,818	1,231
Intangible assets	5	4,011	3,551	80
Property, plant and equipment	4	53,458	55,094	1,237
Investment in equity accounted investees	16	2,345	2,993	67
Derivative assets	15	1,201	2,984	67
Deferred tax assets	18	1,686	1,467	33
Non-current tax assets		3,464	9,239	207
Other non-current assets	11	8,784	8,983	202
Total non-current assets		128,751	139,129	3,124
Inventories	9	7,926	9,707	218
Trade receivables	8	50,928	61,627	1,384
Other current assets	11	21,106	19,744	443
Unbilled revenues		16,708	24,149	542
Available for sale investments	7	30,420	49,282	1,106
Current tax assets		6,596	4,955	111
Derivative assets	15	2,615	1,709	38
Cash and cash equivalents	10	64,878	61,141	1,373
Total current assets		201,177	232,314	5,216
TOTAL ASSETS		329,928	371,443	8,340
EQUITY				
Share capital		2,936	4,908	110
Share premium		29,188	30,124	676
Retained earnings		165,789	203,250	4,563
Share based payment reserve		3,140	1,360	31
Other components of equity		(4,399)	580	13
Shares held by controlled trust		(542)	(542)	(12)

Equity attributable to the equity holders of the Company		196,112	239,680	5,381
Non-controlling interest		437	691	16
Total equity		196,549	240,371	5,397
LIABILITIES				
Loans and borrowings	12	18,107	19,759	444
Derivative liabilities	15	2,882	2,586	58
Deferred tax liabilities	18	380	301	7
Non-current tax liabilities		3,065	5,021	113
Other non-current liabilities	14	3,233	2,706	61
Provisions	14	100	81	2
Total non-current liabilities		27,767	30,454	684
Loans and borrowings and bank overdraft	12	44,404	33,043	742
Trade payables and accrued expenses	13	38,748	44,052	989
Unearned revenues		7,462	6,595	148
Current tax liabilities		4,850	7,340	165
Derivative liabilities	15	1,375	1,358	30
Other current liabilities	14	6,499	5,906	133
Provisions	14	2,274	2,324	52
Total current liabilities		105,612	100,618	2,259
TOTAL LIABILITIES		133,379	131,072	2,943
TOTAL EQUITY AND LIABILITIES		329,928	371,443	8,340

The accompanying notes form an integral part of these consolidated financial statements.

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WIPRO LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Rupees in millions, except share and per share data, unless otherwise stated)

	Notes	2009	Year ended March 31,		2011	2011 Convenience Translation into US\$ in millions (Unaudited) Refer note 2(iv)
			2010			
Revenues	21	256,891	271,957		310,542	6,972
Cost of revenues	22	(180,215)	(186,299)		(212,808)	(4,778)
Gross profit		76,676	85,658		97,734	2,194
Selling and marketing expenses	22	(17,313)	(18,608)		(22,172)	(498)
General and administrative expenses	22	(14,510)	(14,823)		(18,339)	(412)
Foreign exchange gains / (losses), net		(1,553)	(383)		445	10
Results from operating activities		43,300	51,844		57,668	1,295
Finance expense	23	(3,824)	(1,324)		(1,933)	(43)
Finance and other income	24	5,057	4,360		6,652	149
Share of profits of equity accounted investees	16	362	530		648	15
Profit before tax		44,895	55,410		63,035	1,415
Income tax expense	18	(6,035)	(9,294)		(9,714)	(218)
Profit for the year		38,860	46,116		53,321	1,197
Attributable to:						
Equity holders of the Company		38,761	45,931		52,977	1,189
Non-controlling interest		99	185		344	8
Profit for the year		38,860	46,116		53,321	1,197

Earnings per equity share:

	25				
Basic		15.99	18.91	21.74	0.49
Diluted		15.90	18.75	21.61	0.49

Weighted-average number
of equity shares used in
computing earnings per
equity share:

Basic	2,423,558,482	2,429,025,243	2,436,440,633	2,436,440,633
Diluted	2,437,464,403	2,449,658,532	2,451,154,154	2,451,154,154

The accompanying notes form an integral part of these consolidated financial statements.

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WIPRO LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Rupees in millions, except share and per share data, unless otherwise stated)

	Notes	2009	Year ended March 31,		2011	2011 Convenience Translation into US\$ in millions (Unaudited) Refer note 2(iv)
			2010	2011		1,197
Profit for the year		38,860	46,116	53,321		1,197
Other comprehensive income, net of taxes:						
Foreign currency translation differences:						
Translation difference relating to foreign operations	17	8,992	(5,522)	1,222		27
Net change in fair value of hedges of net investment in foreign operations	17	(7,427)	4,202	20		
Net change in fair value of cash flow hedges	15, 18	(13,436)	9,841	3,684		83
Net change in fair value of available for sale investments	7, 18	(320)	(50)	29		1
Total other comprehensive income, net of taxes		(12,191)	8,471	4,955		111
Total comprehensive income for the year		26,669	54,587	58,276		1,308
Attributable to:						
Equity holders of the Company		26,548	54,447	57,956		1,301
Non-controlling interest		121	140	320		7
		26,669	54,587	58,276		1,308

The accompanying notes form an integral part of these consolidated financial statements.

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WIPRO LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Rupees in millions, except share and per share data, unless otherwise stated)

	No. of shares	Share capital	Share premium	Retained earnings	Other components of equity				Equity attributable to the equity holders of Non-controlling interest			Total equity
					Share based payment reserve	Foreign currency reserve	Cash flow hedging reserve	Other reserve	Shares held by Trust	Company	Non-controlling interest	
As at April 1, 2008	1,461,453,320	2,923	25,373	94,728	3,149	(10)	(1,097)	404		125,469	116	125,585
Cash dividend paid (including dividend tax thereon)				(6,842)						(6,842)		(6,842)
Issue of equity shares on exercise of options	2,558,623	5	1,367		(1,272)					100		100
Profit for the year				38,761						38,761	99	38,860
Other comprehensive income						1,543	(13,436)	(320)		(12,213)	22	(12,191)
Shares issued and held by controlled trust	968,803	2	540						(542)			
Compensation cost related to employee share based payment					1,868					1,868		1,868
As at March 31, 2009	1,464,980,746	2,930	27,280	126,646	3,745	1,533	(14,533)	85	(542)	147,144	237	147,381
As at April 1, 2009	1,464,980,746	2,930	27,280	126,646	3,745	1,533	(14,533)	85	(542)	147,144	237	147,381
Cash dividend paid (including dividend tax thereon)				(6,788)						(6,788)		(6,788)
Issue of equity shares on exercise of	3,230,443	6	1,908		(1,908)					6		6

Options												
Profit for the year				45,931						45,931	185	46,116
Other comprehensive income						(1,275)	9,841	(50)		8,516	(45)	8,471
Infusion of capital, Compensation cost related to employee share based payment											60	60
					1,302					1,302		1,302
As at March 31, 2010	1,468,211,189	2,936	29,188	165,789	3,140	258	(4,692)	35	(542)	196,112	437	196,549

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WIPRO LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Rupees in millions, except share and per share data, unless otherwise stated)

	No. of shares	Share capital	Share premium	Retained earnings	Other components of equity				Equity attributable to the equity holders of Non-			Total equity
					Share based payment reserve	Foreign currency translation reserve	Cash hedging reserve	Other reserve	Shares held by controlled Trust	Company	interest	
As at April 1, 2010	1,468,211,189	2,936	29,188	165,789	3,140	258	(4,692)	35	(542)	196,112	437	196,549
Cash dividend paid (including dividend tax thereon)				(15,516)						(15,516)	(66)	(15,582)
Issue of shares in form of stock dividend	979,765,124	1,960	(1,960)									
Issue of equity shares on exercise of options	6,432,832	12	2,896		(2,872)					36		36
Profit for the year				52,977						52,977	344	53,321
Other comprehensive income						1,266	3,684	29		4,979	(24)	4,955
Compensation cost related to employee share based payment					1,092					1,092		1,092
As at March 31, 2011	2,454,409,145	4,908	30,124	203,250	1,360	1,524	(1,008)	64	(542)	239,680	691	240,371
Convenience translation into US \$ in millions (Unaudited)												
Refer note 2(iv)		110	676	4,563	31	34	(23)	1	(12)	5,381	16	5,397

The accompanying notes form an integral part of these consolidated financial statements

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WIPRO LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Rupees in millions, except share and per share data, unless otherwise stated)

	2009	Year ended March 31, 2010	2011	2011 Convenience Translation into US\$ in millions (Unaudited) Refer note 2(iv)
Cash flows from operating activities:				
Profit for the year	38,860	46,116	53,321	1,197
Adjustments to reconcile profit for the year to net cash generated from operating activities:				
Gain on sale of property, plant and equipment	(28)	(43)	(131)	(3)
Depreciation and amortization	6,948	7,831	8,211	184
Exchange (gain) / loss	3,728	(1,462)	1,036	23
Impact of cash flow/net investment hedging activities	(12,196)	6,017	4,389	99
Gain on sale of investments	(681)	(308)	(192)	(4)
Share based compensation	1,868	1,302	1,092	25
Income tax expense	6,035	9,294	9,714	218
Share of profits of equity accounted investees	(362)	(530)	(648)	(15)
Dividend and interest (income)/expenses, net	(1,331)	(2,820)	(5,684)	(128)
<i>Changes in operating assets and liabilities:</i>				
Trade receivables	(8,024)	(2,150)	(10,699)	(240)
Unbilled revenues	(5,594)	(2,600)	(7,441)	(167)
Inventories	(922)	(218)	(1,781)	(40)
Other assets	(1,663)	(2,203)	(5,451)	(122)
Trade payables and accrued expenses	12,260	(66)	5,840	131
Unearned revenues	2,465	(1,272)	(867)	(19)
Other liabilities and provisions	1,986	2,024	(979)	(22)
Cash generated from operating activities				
before taxes	43,349	58,912	49,730	1,117
Income taxes paid, net	(7,250)	(7,914)	(9,293)	(209)
Net cash generated from operating activities	36,099	50,998	40,437	908
Cash flows from investing activities:				
Expenditure on property, plant and equipment and intangible assets	(16,746)	(12,631)	(12,211)	(274)
Proceeds from sale of property, plant and equipment	358	397	521	12
Purchase of available for sale investments	(342,717)	(340,891)	(474,476)	(10,653)
	341,687	325,770	456,894	10,258

Proceeds from sale of available for sale investments				
Investment in inter-corporate deposits	(3,750)	(10,750)	(14,290)	(321)
Refund of inter-corporate deposits		4,950	20,100	451
Payment for business acquisitions, net of cash acquired	(6,679)	(4,399)	(140)	(3)
Interest received	1,398	2,297	3,960	89
Dividend received	2,266	1,442	2,403	54
Net cash used in investing activities	(24,183)	(33,815)	(17,239)	(387)
Cash flows from financing activities:				
Proceeds from issuance of equity shares	100	6	25	1
Proceeds from issuance of equity shares by a subsidiary		60		
Repayment of loans and borrowings	(80,251)	(55,661)	(82,718)	(1,857)
Proceeds from loans and borrowings	86,121	63,011	72,596	1,630
Interest paid on loans and borrowings	(2,400)	(1,194)	(696)	(16)
Payment of cash dividend (including dividend tax thereon)	(6,829)	(6,823)	(15,585)	(350)
Net cash used in financing activities	(3,259)	(601)	(26,378)	(592)
Net increase / (decrease) in cash and cash equivalents during the year	8,657	16,582	(3,180)	(71)
Effect of exchange rate changes on cash and cash equivalents	663	(1,258)	523	12
Cash and cash equivalents at the beginning of the year	38,912	48,232	63,556	1,427
Cash and cash equivalents at the end of the year (Note 10)	48,232	63,556	60,899	1,367

The accompanying notes form an integral part of these consolidated financial statements

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WIPRO LIMITED AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Rupees in millions, except share and per share data, unless otherwise stated)

1. The Company overview

Wipro Limited (Wipro or the Parent Company), together with its subsidiaries and equity accounted investees (collectively, the Company or the Group) is a leading India based provider of IT Services, including Business Process Outsourcing (BPO) services, globally. Further, Wipro has other businesses such as IT Products, Consumer Care and Lighting and Infrastructure engineering.

Wipro is a public limited company incorporated and domiciled in India. The address of its registered office is Wipro Limited, Doddakannelli, Sarjapur Road, Bangalore 560 035, Karnataka, India. Wipro has its primary listing with Bombay Stock Exchange and National Stock Exchange in India. The Company s American Depository Shares representing equity shares are also listed on the New York Stock Exchange. These consolidated financial statements were authorized for issue by Audit Committee on June 16, 2011.

2. Basis of preparation of financial statements**(i) Statement of compliance**

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and its interpretations (IFRS), as issued by the International Accounting Standards Board (IASB).

(ii) Basis of preparation

These consolidated financial statements have been prepared in compliance with International Financial Reporting Standards as issued by the International Accounting Standard Board (IFRS). Accounting policies have been applied consistently to all periods presented in these financial statements.

The consolidated financial statements correspond to the classification provisions contained in *IAS 1(revised), Presentation of Financial Statements* . For clarity, various items are aggregated in the statements of income and statements of financial position. These items are disaggregated separately in the Notes to the consolidated financial statements, where applicable. The accounting policies have been consistently applied to all periods presented in these consolidated financial statements.

All amounts included in the consolidated financial statements are reported in millions of Indian rupees (Rupees in millions) except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

(iii) Basis of measurement

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant IFRS:-

- a. Derivative financial instruments; and
- b. Available-for-sale financial assets;

(iv) Convenience translation (unaudited)

The accompanying consolidated financial statements have been prepared and reported in Indian rupees, the national currency of India. Solely for the convenience of the readers, the consolidated financial statements as of and for the year ended March 31, 2011, have been translated into United States dollars at the certified foreign exchange rate of US\$1 = Rs. 44.54, as published by Federal Reserve Board of New York on March 31, 2011. 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.

(v) Use of estimates and judgment

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

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Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

- a) **Revenue recognition:** The Company uses the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs. This method is followed when reasonably dependable estimates of the revenues and costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labor costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognized revenue and profit are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable. To date, the Company has not incurred a material loss on any fixed-price and fixed-timeframe contract.
- b) **Goodwill:** 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 recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes revenue growth rates and operating margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.
- c) **Income taxes:** The major tax jurisdictions for the Company are India and the United States of America. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. Though, the Company considers all these issues in estimating income taxes, there could be an unfavorable resolution of such issues.
- d) **Deferred taxes:** Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.
- e) **Business combination:** In accounting for business combination, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets acquired and liabilities assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.
- f) **Other estimates:** The preparation of financial statements involves 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. Specifically, the Company estimates the uncollectability of 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. Similarly, the Company provides for inventory obsolescence, excess inventory and inventories with carrying values in excess of net realizable value based on assessment of the future demand, market conditions and specific inventory management initiatives. If market conditions and actual demands are less favorable than the Company's estimates, additional inventory provisions may be required. In all cases inventory is carried at the lower of historical cost and net realizable value. The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

3. Significant accounting policies

(i) Basis of consolidation

Subsidiaries

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The consolidated financial statements incorporate the financial statements of the Parent Company and entities controlled by the Parent Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that currently are exercisable are taken into account.

All intra-company balances, transactions, income and expenses including unrealized income or expenses are eliminated in full on consolidation.

Equity accounted investees

Equity accounted investees are entities in respect of which, the Company has significant influence, but not control, over the financial and operating policies. Generally, a Company has a significant influence if it holds between 20 and 50 percent of the voting power of another entity. Investments in such entities are accounted for using the equity method (equity accounted investees) and are initially recognized at cost.

(ii) Functional and presentation currency

Items included in the consolidated financial statements of each of the Company's subsidiaries and equity accounted investees are measured using the currency of the primary economic environment in which these entities operate (i.e. the functional currency). These consolidated financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of Wipro Limited and its domestic subsidiaries and equity accounted investees.

(iii) Foreign currency transactions and translation**a) Transactions and balances**

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of income and reported within foreign exchange gains/(losses), net within results of operating activities. Gains/losses relating to translation or settlement of borrowings denominated in foreign currency are reported within finance expense except foreign exchange gains/losses on short-term borrowings, which are considered as a natural economic hedge for the foreign currency monetary assets are classified and reported within foreign exchange gains/(losses), net within results from operating activities. Non monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

b) Foreign operations

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations that have local functional currency are translated into Indian Rupee using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income and held in foreign currency translation reserve (FCTR), a component of equity. When a foreign operation is disposed of, the relevant amount recognized in FCTR is transferred to the statement of income as part of the profit or loss on disposal. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rate prevailing at the reporting date.

c) Others

Foreign currency differences arising on the translation or settlement of a financial liability designated as a hedge of a net investment in a foreign operation are recognized in other comprehensive income and presented within equity in the FCTR to the extent the hedge is effective. To the extent the hedge is ineffective, such difference are recognized in statement of income. When the hedged part of a net investment is disposed of, the relevant amount recognized in FCTR is transferred to the statement of income as part of the profit or loss on disposal. Foreign currency differences arising from translation of intercompany receivables or payables relating to foreign operations, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of net investment in foreign operation and are recognized in FCTR.

(iv) Financial Instruments**a) Non-derivative financial instruments**

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Non derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payable, eligible current liabilities and non-current liabilities.

Non derivative financial instruments are recognized initially at fair value including any directly attributable transaction costs. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

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

A. Cash and cash equivalents

The Company's cash and cash equivalent consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at anytime, without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system.

B. Available-for-sale financial assets

The Company has classified investments in liquid mutual funds, equity securities, other than equity accounted investees and certain debt securities (primarily certificate of deposits with banks) as available-for-sale financial assets. These investments are measured at fair value and changes therein are recognized in other comprehensive income and presented within equity. The impairment losses, if any, are reclassified from equity into statement of income. When an available for sale financial asset is derecognized, the related cumulative gain or loss in equity is transferred to statement of income.

C. Others

Other non-derivative financial instruments are measured at amortized cost using the effective interest method, less any impairment losses.

b) Derivative financial instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cash flows denominated in foreign currency.

The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is a bank.

Derivatives are recognized and measured at fair value. Attributable transaction cost are recognized in statement of income as cost.

A. Cash flow hedges

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and held in cash flow hedging reserve, a component of equity to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the 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 the cash flow hedging reserve is transferred to the statement of income upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, such cumulative balance is immediately recognized in the statement of income.

Table of Contents**B. Hedges of net investment in foreign operations**

The Company designates derivative financial instruments as hedges of net investments in foreign operations. The Company has also designated a combination of foreign currency denominated borrowings and related cross-currency swaps as a hedge of net investment in foreign operations. Changes in the fair value of the derivative hedging instruments and gains/losses on translation or settlement of foreign currency denominated borrowings designated as a hedge of net investment in foreign operations are recognized in other comprehensive income and within equity in the FCTR to the extent that the hedge is effective.

C. Others

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges or hedges of net investment in foreign operations and the ineffective portion of cash flow hedges are recognized in the statement of income and reported within foreign exchange gains/(losses), net within results from operating activities.

Changes in fair value and gains/(losses) on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance expense.

(v) Equity and share capital**a) Share capital and share premium**

The Company has only one class of equity shares. The authorized share capital of the Company is 2,650,000,000 equity shares, par value Rs. 2 per share. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as share premium.

Every holder of the equity shares, as reflected in the records of the Company as of the date of the shareholder meeting shall have one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

b) Shares held by controlled trust (Treasury shares)

The Company's equity shares held by the controlled trust, which is consolidated as a part of the Group are classified as Treasury Shares. The Company has 8,930,563 and 14,884,272 treasury shares as of March 31, 2010 and 2011, respectively. Treasury shares are recorded at acquisition cost.

c) Retained earnings

Retained earnings comprises of the Company's prior years' undistributed earnings after taxes. A portion of these earnings amounting to Rs. 1,144 is not freely available for distribution.

d) Share based payment reserve

The share based payment reserve is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in share based payment reserve are transferred to share premium upon exercise of stock options by employees.

e) Cash flow hedging reserve

Changes in fair value of derivative hedging instruments designated and effective as a cash flow hedge are recognized in other comprehensive income (net of taxes), and presented within equity in the cash flow hedging reserve.

f) Foreign currency translation reserve

The exchange difference arising from the translation of financial statements of foreign subsidiaries, differences arising from translation of intercompany receivables or payables relating to foreign operations, changes in fair value of the derivative hedging instruments and gains/losses on translation or settlement of foreign currency denominated borrowings designated as hedge of net investment in foreign operations are recognized in other comprehensive income, and presented within equity in the FCTR.

Table of Contents**g) Other reserve**

Changes in the fair value of available for sale financial assets is recognized in other comprehensive income (net of taxes), and presented within equity in other reserve.

h) Dividend

A final dividend, including tax thereon, on common stock is recorded as a liability on the date of approval by the shareholders. An interim dividend, including tax thereon, is recorded as a liability on the date of declaration by the board of directors.

(vi) Property, plant and equipment**a) Recognition and measurement**

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

b) Depreciation

The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are available for use. Assets acquired under finance lease and leasehold improvements are amortized over the shorter of estimated useful life of the asset or the related lease term. The estimated useful life of assets are reviewed and where appropriate are adjusted, annually. The estimated useful lives of assets for the current and comparative period are as follows:

Category	Useful life
Buildings	30 to 60 years
Plant and machinery	2 to 21 years
Computer equipment and software	2 to 6 years
Furniture, fixtures and equipment	3 to 10 years
Vehicles	4 years

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

Deposits and advances paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not available for use before such date are disclosed under capital work- in-progress.

(vii) Business combination, Goodwill and Intangible assets

Business combinations are accounted for using the purchase (acquisition) 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. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business combination are expensed as incurred.

a) Goodwill

The excess of the cost of acquisition over the Company's share in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities is recognized as goodwill. If the excess is negative, a bargain purchase gain is recognized immediately in the statement of income.

b) Intangible assets

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

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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. Intangible assets with indefinite lives comprising of brands are not amortized, but instead tested for impairment at least annually and written down to the recoverable amount as required.

The estimated useful life of finite useful life intangibles are reviewed and where appropriate are adjusted, annually. The estimated useful lives of the amortizable intangible assets for the current and comparative periods are as follows:

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

(viii) Leases**a) Arrangements where the Company is the lessee**

Leases of property, plant and equipment, where the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lower of the fair value of the leased property and the present value of the minimum lease payments. Lease payments are apportioned between the finance charge and the outstanding liability. The finance charge is allocated to periods during the lease term at a constant periodic rate of interest on the remaining balance of the liability.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are recognized in the statement of income on a straight-line basis over the lease term.

b) Arrangements where the Company is the lessor

In certain arrangements, the Company recognizes revenue from the sale of products given under finance leases. The Company records gross finance receivables, unearned income and the estimated residual value of the leased equipment on consummation of such leases. Unearned income represents the excess of the gross finance lease receivable plus the estimated residual value over the sales price of the equipment. The Company recognizes unearned income as financing revenue over the lease term using the effective interest method.

(ix) Inventories

Inventories are valued at lower of cost and net realizable value, including necessary provision for obsolescence. Cost is determined using the weighted average method.

(x) Impairment**a) Financial assets**

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss.

A. Loans and receivables

Impairment losses on trade and other receivables are recognized using separate allowance accounts. Refer Note 2 (v) for further information regarding the determination of impairment.

B. Available for sale financial asset

When the fair value of available-for-sale financial assets declines below acquisition cost and there is objective evidence that the asset is impaired, the cumulative loss that has been recognized in other comprehensive income, a component of equity in other reserve is transferred to the statement of income. An impairment loss may be reversed in subsequent periods, if the indicators for the impairment no longer exist. Such reversals are recognized in other comprehensive income.

Table of Contents**b) Non financial assets**

The Company assesses long-lived assets, such as property, plant, equipment and acquired intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount of an asset or cash generating unit is the higher of its fair value less cost to sell (FVLCTS) and its value-in-use (VIU). If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of income. If at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially.

Intangible assets with indefinite lives comprising of brands are not amortized, but instead tested for impairment at least annually at the same time and written down to the recoverable amount as required.

Goodwill is tested for impairment at least annually at the same time 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. An impairment in respect of goodwill is not reversed.

(xi) Employee Benefit**a) Post-employment and pension plans**

The Group participates in various employee benefit plans. Pensions and other post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

The company has the following employee benefit plans:

A. Provident fund

Employees receive benefits from a provident fund. The employer and employees each make periodic contributions to the plan. A portion of the contribution is made to the approved provident fund trust managed by the Company; while the remainder of the contribution is made to the government administered pension fund. The Company is generally liable for any shortfall in the fund assets based on the government specified minimum rates of return or pension and recognizes such shortfall, if any, as an expense in the year it is incurred.

B. Superannuation

Superannuation plan, a defined contribution scheme is administered by Life Insurance Corporation of India and ICICI Prudential Insurance Company Limited. The Company makes annual contributions based on a specified percentage of each eligible employee's salary.

C. Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The gratuity fund is managed by the Life Insurance Corporation of India (LIC), HDFC Standard Life, TATA AIG and Birla Sun-life. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. The Company recognizes actuarial gains and losses immediately in the statement of income.

Table of Contents**b) Termination benefits**

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date, or to provide termination benefit as a result of an offer made to encourage voluntary redundancy.

c) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

d) Compensated absences

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

(xii) Share based payment transaction

Employees of the Company receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant. In cases, where equity instruments are granted at a nominal exercise price, the intrinsic value on the date of grant approximates the fair value. The expense is recognized in the statement of income with a corresponding 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 the respective tranches of such grants (accelerated amortization). The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

(xiii) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

(xiv) Revenue

The Company derives revenue primarily from software development and related services, BPO services, sale of IT and other products.

a) Services

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

A. Time and materials contracts

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

B. Fixed-price contracts

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

Unbilled revenues represent cost and earnings in excess of billings as at the end of the reporting period. Unearned revenues represent billing in excess of revenue recognized. Advance payments received from customers for which no services are rendered are presented as Advance from customers .

C. Maintenance contract

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

b) Products

Revenue from products are recognized when the significant risks and rewards of ownership have transferred to the buyer, continuing managerial involvement usually associated with ownership and effective control have ceased, the amount of revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

c) Multiple element arrangements

Revenue from contracts with multiple-element arrangements are recognized using the guidance in IAS 18, Revenue. The Company allocates 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 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.

The Company accrues the estimated cost of warranties at the time when the revenue is recognized. The accruals are based on the Company's historical experience of material usage and service delivery costs.

Table of Contents**(xv) Finance expense**

Finance expense comprise interest cost 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 except foreign exchange gains/(losses), net on short-term borrowings which are considered as a natural economic hedge for the foreign currency monetary assets which are classified as foreign exchange gains/(losses), net within results from operating activities. Borrowing costs that are not directly attributable to a qualifying asset are recognized in the statement of income using the effective interest method.

(xvi) Finance and other income

Finance and other income comprises interest income on deposits, dividend income and gains / losses 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.

(xvii) Income tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of income except to the extent it relates to a business combination, or items directly recognized in equity or in other comprehensive income.

a) Current income tax

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 the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

b) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and foreign branches 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.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

(xviii) Earnings per share

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

Table of Contents**New Accounting standards adopted by the Company**

The Company adopted *IFRS 3, Business Combinations (IFRS 3,(2008))* and *IAS 27, Consolidated and Separate Financial Statements (IAS 27, (2008))* effective April 1, 2010. The revisions result in several changes in the accounting for business combinations. Major changes relate to the measurement of non-controlling interests, the accounting for business combinations achieved in stages as well as the treatment of contingent consideration and acquisition-related costs. Based on the new standard, non- controlling interests may be measured at their fair value (full-goodwill-methodology) or at the proportional fair value of assets acquired and liabilities assumed. In respect of business combinations achieved in stages, any previously held equity interest in the acquiree is re-measured to its acquisition date fair value. Any changes to contingent consideration classified as a liability at the acquisition date are recognized in the statement of income. Acquisition-related costs are expensed in the period incurred. Adoption of IFRS 3 (2008) and IAS 27, (2008), did not have a material effect on these consolidated financial statements.

The Company adopted an amendment to *IAS 39, Financial Instruments: Recognition and Measurement: Eligible Hedged Items (amendment to IAS 39)* effective April 1, 2010. The amendment addresses the designation of a one-sided risk in a hedged item in particular situations. The amendment applies to hedging relationships within the scope of IAS 39. Adoption of this amendment did not have a material effect on these consolidated financial statements.

New Accounting standards not yet adopted by the Company

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. The Company is evaluating the impact these amendments will have on the Company's 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. The Company is evaluating the impact these amendments will have on the Company's consolidated financial statements.

In October, 2010, the IASB issued an amendment to *IFRS 7 Disclosures Transfers of financial assets*. The purpose of the amendment is to enhance the existing disclosures in IFRS 7 when an asset is transferred but is not derecognized and introduce new disclosures for assets that are derecognized but the entity continues to have a continuing exposure to the asset after the sale. The amendment is effective for fiscal years beginning on or after July 1, 2011. Earlier application is permitted. The Company is evaluating the impact these amendments will have on the Company's consolidated financial statements.

In May 2010, the IASB issued *Improvements to IFRSs (2010 Improvements)* a collection of eleven amendments to six International Financial Reporting Standards and to one interpretation 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 amendments resulting from this standard are mainly applicable to the Company from fiscal year beginning on or after January 1, 2011. The Company is evaluating the impact these amendments will have on the Company's consolidated financial statements.

4. Property, plant and equipment

	Land	Buildings	Plant and machinery*	Furniture fixtures and equipment	Vehicles	Total
Gross carrying value:						

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As at April 1, 2009	Rs. 2,740	Rs. 15,384	Rs. 41,623	Rs. 8,113	Rs. 2,853	Rs. 70,713
Translation adjustment	(6)	(130)	(1,126)	(49)	(4)	(1,315)
Additions	60	4,160	6,744	1,959	459	13,382
Acquisition through business combination			6	9	2	17
Disposal / adjustments		(55)	(590)	(177)	(381)	(1,203)
As at March 31, 2010	Rs. 2,794	Rs. 19,359	Rs. 46,657	Rs. 9,855	Rs. 2,929	Rs. 81,594

Accumulated depreciation/impairment:

As at April 1, 2009	Rs.	Rs. 1,631	Rs. 26,728	Rs. 4,539	Rs. 1,748	Rs. 34,646
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	Land	Buildings	Plant and machinery*	Furniture and fixtures and equipment	Vehicles	Total
Translation adjustment		(58)	(716)	(30)	7	(797)
Depreciation		426	5,329	1,106	512	7,373
Disposal / adjustments		(1)	(346)	(118)	(263)	(728)
As at March 31, 2010	Rs.	Rs. 1,998	Rs. 30,995	Rs. 5,497	Rs. 2,004	Rs. 40,494
Capital work-in-progress						12,358
Net carrying value as at March 31, 2010						Rs. 53,458
Gross carrying value:						
As at April 1, 2010	Rs. 2,794	Rs. 19,359	Rs. 46,657	Rs. 9,855	Rs. 2,929	Rs. 81,594
Translation adjustment	17	117	337	68	11	550
Additions	943	3,533	8,360	1,692	117	14,645
Disposal / adjustments		(41)	(1,145)	(591)	(458)	(2,235)
As at March 31, 2011	Rs. 3,754	Rs. 22,968	Rs. 54,209	Rs. 11,024	Rs. 2,599	Rs. 94,554
Accumulated depreciation/impairment:						
As at April 1, 2010	Rs.	Rs. 1,998	Rs. 30,995	Rs. 5,497	Rs. 2,004	Rs. 40,494
Translation adjustment		50	231	45	14	340
Depreciation		493	5,500	1,271	455	7,719
Disposal / adjustments		(39)	(1,077)	(375)	(354)	(1,845)
As at March 31, 2011	Rs.	Rs. 2,502	Rs. 35,649	Rs. 6,438	Rs. 2,119	Rs. 46,708
Capital work-in-progress						7,248
Net carrying value as at March 31, 2011						Rs. 55,094

* Including net carrying value of computer equipment and software amounting to Rs. 2,928 and Rs. 4,397 as at March 31, 2010 and 2011, respectively.

Interest capitalized by the Company was Rs. 95 and Rs. 66 for the year ended March 31, 2010 and 2011, respectively. The capitalization rate used to determine the amount of borrowing cost capitalized for the year ended March 31, 2010 and 2011 are 4.32% and 4.23%, respectively.

5. Goodwill and Intangible assets

The movement in goodwill balance is given below:

Year ended March 31,

	2010	2011
Balance at the beginning of the year	Rs. 56,143	Rs. 53,802
Translation adjustment	(4,917)	962
Acquisition through business combination, net	2,576	54
Balance at the end of the year	Rs. 53,802	Rs. 54,818

The Company has recognized additional goodwill as a result of earn-out provisions from business combinations consummated in fiscal years 2006 and 2007 (contingent consideration) amounting to Rs. 1,624 and Rs. 54 during the year ended March 31, 2010 and 2011, respectively.

Goodwill as at March 31, 2010 and 2011 has been allocated to the following reportable segments:

Segment	As at March 31,	
	2010	2011
IT Services	Rs. 39,056	Rs. 39,098
IT Products	476	472
Consumer Care and Lighting	12,670	13,475
Others	1,600	1,773
Total	Rs. 53,802	Rs. 54,818

The goodwill held in the Infocrossing, Healthcare and Unza cash generating units (CGU) are considered significant in comparison to the total carrying amount of goodwill as at March 31, 2011. The goodwill held in these CGUs are as follows:

CGUs	As at March 31,
	2011
Infocrossing	Rs. 11,592
Healthcare	9,959
Unza	12,492

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The movement in intangible assets is given below:

	Customer related	Intangible assets Marketing related	Total
Gross carrying value:			
As at April 1, 2009	Rs. 1,629	Rs. 2,911	Rs. 4,540
Translation adjustment	(19)	(174)	(193)
Acquisition through business combination	322	691	1,013
Additions		36	36
As at March 31, 2010	Rs. 1,932	Rs. 3,464	Rs. 5,396
Accumulated amortization and impairment:			
As at April 1, 2009	Rs. 91	Rs. 956	Rs. 1,047
Translation adjustment		(48)	(48)
Amortization	301	85	386
As at March 31, 2010	Rs. 392	Rs. 993	Rs. 1,385
Net carrying value as at March 31, 2010	Rs. 1,540	Rs. 2,471	Rs. 4,011
Gross carrying value:			
As at April 1, 2010	Rs. 1,932	Rs. 3,464	Rs. 5,396
Translation adjustment	11	(105)	(94)
Additions		36	36
As at March 31, 2011	Rs. 1,943	Rs. 3,395	Rs. 5,338
Accumulated amortization and impairment:			
As at April 1, 2010	Rs. 392	Rs. 993	Rs. 1,385
Translation adjustment		(48)	(48)
Amortization	341	109	450
As at March 31, 2011	Rs. 733	Rs. 1,054	Rs. 1,787
Net carrying value as at March 31, 2011	Rs. 1,210	Rs. 2,341	Rs. 3,551

Net carrying value of marketing-related intangibles includes indefinite life intangible assets (brands and trade-marks) of Rs. 691 and Rs. 660 as of March 31, 2010 and 2011, respectively.

The assessment of marketing-related intangibles (brands and trade-marks) that have an indefinite life were based on a number of factors, including the competitive environment, market share, brand history, product life cycles, operating plan and macroeconomic environment of the geographies in which these brands operate.

Amortization expense on intangible assets is included in selling and marketing expenses in the statement of income.

As of March 31, 2011, the estimated remaining amortization period for customer-related intangibles acquired on acquisition of Citi Technology Services Limited is approximately 3.75 years and the estimated remaining amortization period for customer-related intangibles acquired on acquisition of Lornamead is approximately 9 years.

Goodwill and indefinite life intangible were tested for impairment annually in accordance with the Company's procedure for determining the recoverable value of such assets. For the purpose of impairment testing, goodwill is allocated to a 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 useful life of the trademark and brand in respect of the acquired Wipro Yardley FZE (Formerly known as Lornamead FZE) and Wipro Yardley Consumer Care Private Limited (Formerly known as Lornamead Personal Care Private Limited) has been determined to be indefinite life intangible assets. For the purpose of impairment testing, indefinite life intangible are allocated to the Yardley businesses. The recoverable amount of the CGU is the higher of its FVLCTS and its 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 on which the Company has based its determination of VIUs include:

- 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.

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- b) Terminal value arrived by extrapolating last forecasted year cash flows to perpetuity using long-term growth rates: [2.5%-6%]. These long-term 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 Company's 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%-17%].
- d) Value-in-use is calculated using after tax assumptions. The use of after tax assumptions does not result in a value-in-use that is materially different from the value-in-use that would result if the calculation was performed using before tax assumptions. The after tax discount rate used ranges from [10% - 17%]. The before tax discount rate is determined based on the value-in-use derived from the use of after tax assumptions, and ranges from [12.3% - 19.5%].

Based on the above, no impairment was identified as of March 31, 2011 as the recoverable value of the CGUs exceeded the carrying value. Further, none of the CGUs tested for impairment as of March 31, 2011 were at risk of impairment. 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 CGUs recoverable amount would fall below its carrying amount.

6. Business combination*Science Applications International Corporation*

On April 1, 2011, the Company entered into a definitive agreement to acquire the global oil and gas information technology practice of the Commercial Business Services Business Unit of Science Applications International Corporation (SAIC). SAIC's global oil and gas practice provides consulting, system integration and outsourcing services to global oil majors with significant domain capabilities in the areas of digital oil field, petro-technical data management and petroleum application services, addressing the upstream segment. The business unit was acquired for cash consideration of approximately US\$150 million. The Company believes that the acquisition will further strengthen Wipro's presence in the Energy, Natural Resources and Utilities domain.

The acquisition was completed on June 10, 2011 (acquisition date), after receipt of regulatory approvals. The Company is in the process of allocating the purchase consideration to identifiable assets and liabilities and therefore it is impracticable to provide the other disclosures as required under IFRS 3 (2008) Business Combinations as of the date of filing of this Form 20-F for the year ended March 31, 2011.

A summary of the acquisitions completed during the years ended March 31, 2009 and 2010 is given below

Name of entity and effective date of acquisition	Nature of business	Management's assessment of business rationale
Citi Technology Services Limited (Subsequently renamed as Wipro Technology Services Limited - WTS) (January 2009)	India based provider of information technology services and solutions to Citi Group worldwide	Enhance Company's capabilities to address Technology Infrastructure Services (TIS) and Application Development and Maintenance Services (ADM) in the financial services industry.
Lornamead (December 2009)	Operates in the personal care category marketing fragrance products, bath and shower products and skin care products	Enhance Company's strong brand portfolio of personal care products.

The total purchase price has been allocated to the acquired assets and liabilities as follows:

Purchase consideration including	Deferred tax	Intangible
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Name of entity	earn-outs	Net assets	liabilities	assets	Goodwill
WTS	Rs. 6,205	Rs. 1,672	Rs. (461)	Rs. 1,413	Rs. 3,581
Lornamead	2,340	308		1,013	1,019
Total	Rs. 8,545	Rs. 1,980	Rs. (461)	Rs. 2,426	Rs. 4,600

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Table of Contents**7. Available for sale investments**

Available for sale investments consists of the following:

	As at March 31, 2010				As at March 31, 2011			
	Cost	Gross gain recognized directly in equity	Gross loss recognized directly in equity	Fair Value	Cost	Gross gain recognized directly in equity	Gross loss recognized directly in equity	Fair Value
Investment in liquid and short-term mutual funds and others	Rs. 19,279	Rs. 52	Rs. (4)	Rs. 19,327	Rs. 37,013	Rs. 126	Rs. (49)	Rs. 37,090
Certificate of deposits	11,088	5		11,093	12,189	17	(14)	12,192
Total	Rs. 30,367	Rs. 57	Rs. (4)	Rs. 30,420	Rs. 49,202	Rs. 143	Rs. (63)	Rs. 49,282

8. Trade receivables

	As at March 31,	
	2010	2011
Trade receivables	Rs. 53,255	Rs. 64,221
Allowance for doubtful accounts receivable	(2,327)	(2,594)
	Rs. 50,928	Rs. 61,627

The activity in the allowance for doubtful accounts receivable is given below:

	Year ended March 31,	
	2010	2011
Balance at the beginning of the year	Rs. 1,919	Rs. 2,327
Additions during the year, net	566	399
Uncollectable receivables charged against allowance	(158)	(132)
Balance at the end of the year	Rs. 2,327	Rs. 2,594

9. Inventories

Inventories consist of the following:

	As at March 31,	
	2010	2011
Stores and spare parts	Rs. 1,001	Rs. 1,125
Raw materials and components	2,212	3,217
Work in progress	776	1,109
Finished goods	3,937	4,256

Rs. 7,926 Rs. 9,707

10. Cash and cash equivalents

Cash and cash equivalents as of March 31, 2009, 2010 and 2011 consist of cash and balances on deposit with banks. Cash and cash equivalents consist of the following:

	As at March 31,		
	2009	2010	2011
Cash and bank balances	Rs. 22,944	Rs. 24,155	Rs. 27,628
Demand deposits with banks ⁽¹⁾	26,173	40,723	33,513
	Rs. 49,117	Rs. 64,878	Rs. 61,141

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- (1) These deposits can be withdrawn by the Company at any time without prior notice and without any penalty on the principal.

Cash and cash equivalent consists of the following for the purpose of the cash flow statement:

	2009	As at March 31, 2010	2011
Cash and cash equivalents (as per above)	Rs. 49,117	Rs. 64,878	Rs. 61,141
Bank overdrafts	(885)	(1,322)	(242)
	Rs. 48,232	Rs. 63,556	Rs. 60,899

11. Other assets

	As at March 31,	
	2010	2011
<i>Current</i>		
Interest bearing deposits with corporates ⁽¹⁾	Rs. 10,050	Rs. 4,240
Prepaid expenses	2,923	4,620
Due from officers and employees	1,244	1,110
Finance lease receivables	632	2,411
Advance to suppliers	1,194	1,407
Deferred contract costs	943	1,503
Interest receivable	822	393
Deposits	1,057	603
Balance with excise and customs	917	1,570
Non-convertible debentures	155	815
Others	1,169	1,072
	Rs. 21,106	Rs. 19,744
<i>Non current</i>		
Prepaid expenses including rentals for leasehold land	Rs. 3,059	Rs. 2,423
Finance lease receivables	3,810	4,839
Deposits	724	1,680
Non-convertible debentures	1,159	
Others	32	41
	Rs. 8,784	Rs. 8,983
Total	Rs. 29,890	Rs. 28,727

- (1) Such deposits earn a fixed rate of interest and will be liquidated within 12 months.

Finance lease receivables

Finance lease receivables consist of assets that are leased to customers, with lease payments due in monthly, quarterly or semi-annual installments for periods ranging from 3 to 5 years. Details of finance lease receivables are

given below:

	Minimum lease payment		Present value of minimum lease payment	
	As at March 31,		As at March 31,	
	2010	2011	2010	2011
Not later than one year	Rs. 774	Rs. 2,523	Rs. 608	Rs. 2,350
Later than one year but not later than five years	4,652	6,129	3,675	4,723
Unguaranteed residual values	190	199	159	177
Gross investment in lease	5,616	8,851		
Less: Unearned finance income	(1,174)	(1,601)		
Present value of minimum lease payment receivable	Rs. 4,442	Rs. 7,250	Rs. 4,442	Rs. 7,250
Included in the financial statements as follows:				
Current finance lease receivables			Rs. 632	Rs. 2,411
Non-current finance lease receivables			3,810	4,839

Table of Contents**12. Loans and borrowings***Short-term loans and borrowings*

The Company had short-term borrowings including bank overdrafts amounting to Rs. 43,836 and Rs. 31,694 as at March 31, 2010 and 2011, respectively. Short-term borrowings from banks as of March 31, 2011 primarily consist of lines of credit of approximately Rs. 22,177, US\$939 million, SEK 85 million, SAR 90 million, Euro 20 million, GBP 21 million, IDR (Indonesian Rupee) 5,005 million, MYR (Malaysian Ringgit) 25 million and RM (Chinese Yuan) 28 million from bankers primarily for working capital requirements. As of March 31, 2011, the Company has unutilized lines of credit aggregating Rs. 16,584, US\$393 million, SEK 66 million, SAR 90 million, GBP 21 million, IDR 5,005 million, and MYR 25 million, respectively. To utilize these unused lines of credit, the Company requires consent of the lender and compliance with certain financial covenants. Significant portion of these lines of credit are revolving credit facilities and floating rate foreign currency loans, renewable on a periodic basis. Significant portion of these facilities bear floating rates of interest, referenced to LIBOR and a spread, determined based on market conditions.

The Company has non-fund based revolving credit facilities in various currencies equivalent to Rs. 25,497 for operational requirements that can be used for the issuance of letters of credit and bank guarantees. As of March 31, 2011, an amount of Rs. 5,656 was unutilized out of these non-fund based facilities.

Long-term loans and borrowings

A summary of long-term loans and borrowings is as follows:

Currency	As at March 31, 2010		As at March 31, 2011		Interest rate	Final maturity
	Foreign currency in millions	Indian Rupee	Foreign currency in millions	Indian Rupee		
Unsecured external commercial borrowing						
Japanese Yen	35,016	Rs. 16,844	35,016	Rs. 18,861	2.04%	2013
Unsecured term loan						
Indian Rupee	NA	509	NA	366	6.05%	2014
Saudi Riyals			66	786	1.25%	2011
Others		445		354	0-2%	2011 2017
Other secured term loans		165		106	1.46 - 4.5%	2011 2016
		Rs. 17,963		Rs. 20,473		
Obligations under finance leases		712		635		
		Rs. 18,675		Rs. 21,108		
Current portion of long term loans and borrowings		Rs. 568		Rs. 1,349		

Non-current portion of
long term loans and
borrowings

18,107

19,759

The Company has entered into cross-currency interest rate swap (CCIRS) in connection with the unsecured external commercial borrowing and has designated a portion of these as hedge of net investment in foreign operation.

The contract governing the Company's unsecured external commercial borrowing contain certain covenants that limit future borrowings and payments towards acquisitions in a financial year. The terms of the other secured and unsecured loans and borrowings also contain certain restrictive covenants primarily requiring the Company to maintain certain financial ratios. As of March 31, 2011, the Company has met the covenants under these arrangements.

A portion of the above short-term loans and borrowings, other secured term loans and obligation under finance leases aggregating to Rs. 2,119 and Rs. 2,067 as at March 31, 2010 and 2011, respectively, are secured by inventories, accounts receivable, certain property, plant and equipment and underlying assets.

Interest expense was Rs. 1,232 and Rs. 776 for the year ended March 31, 2010 and 2011, respectively.

The following is a schedule of future minimum lease payments under finance leases, together with the present value of minimum lease payments as of March 31, 2010 and 2011:

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	Minimum lease payment		Present value of minimum lease payment	
	As at March 31,		As at March 31,	
	2010	2011	2010	2011
Not later than one year	Rs. 257	Rs. 242	Rs. 228	Rs. 203
Later than one year but not later than five year	461	396	425	372
Later than five years	62	63	59	60
Total minimum lease payments	780	701		
Less: Amount representing interest	(68)	(66)		
Present value of minimum lease payments	Rs. 712	Rs. 635	Rs. 712	Rs. 635
Included in the financial statements as follows:				
Current finance lease payables			Rs. 228	Rs. 203
Non-current finance lease payables			484	432

13. Trade payables and accrued expenses

Trade payables and accrued expenses consist of the following:

	As at March 31,	
	2010	2011
Trade payables	Rs. 19,133	Rs. 20,618
Accrued expenses	19,615	23,434
	Rs. 38,748	Rs. 44,052

14. Other liabilities and provisions

	As at March 31,	
	2010	2011
Other liabilities:		
Current:		
Statutory and other liabilities	Rs. 4,001	Rs. 4,046
Advance from customers	1,786	1,049
Others	712	811
	Rs. 6,499	Rs. 5,906
Non-current:		
Employee benefit obligations	Rs. 2,967	Rs. 2,633
Others	266	73

	Rs. 3,233	Rs. 2,706
Total	Rs. 9,732	Rs. 8,612
	As at March 31,	
	2010	2011
Provisions:		
Current:		
Provision for warranty	Rs. 511	Rs. 467
Others	1,763	1,857
	Rs. 2,274	Rs. 2,324
Non-current:		
Provision for warranty	Rs. 100	Rs. 81
Total	Rs. 2,374	Rs. 2,405

Provision for warranty represents cost associated with providing sales support services which are accrued at the time of recognition of revenues and are expected to be utilized over a period of 1 to 2 years. Other provisions primarily include provisions for tax related contingencies and litigations. The timing of cash outflows in respect of such provision cannot be reasonably determined.

A summary of activity for provision for warranty and other provisions is as follows:

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	Year ended March 31, 2011		
	Provision		
	for	Others	Total
	warranty		
Balance at the beginning of the year	Rs. 611	Rs. 1,763	Rs. 2,374
Additional provision during the year, net	532	149	681
Provision used during the year	(595)	(55)	(650)
Balance at the end of the year	Rs. 548	Rs. 1,857	Rs. 2,405

15. Financial instruments

Financial assets and liabilities (carrying value/fair value):

	As at March 31,	
	2010	2011
Assets:		
Trade receivables	Rs. 50,928	Rs. 61,627
Unbilled revenues	16,708	24,149
Cash and cash equivalents	64,878	61,141
Available for sale financial investments	30,420	49,282
Derivative assets	3,816	4,693
Other assets	20,124	16,995
Total	Rs. 186,874	Rs. 217,887
Liabilities:		
Loans and borrowings	Rs. 62,511	Rs. 52,802
Trade payables and accrued expenses	38,748	44,052
Derivative liabilities.	4,257	3,944
Other liabilities	126	140
Total	Rs. 105,642	Rs. 100,938

By Category (Carrying value/Fair value):

	As at March 31,	
	2010	2011
Assets:		
Loans and receivables	Rs. 152,638	Rs. 163,912
Derivative assets	3,816	4,693
Available for sale financial assets	30,420	49,282
Total	Rs. 186,874	Rs. 217,887
Liabilities:		
Financial liabilities at amortized cost	Rs. 62,511	Rs. 52,802

Trade and other payables	38,874	44,192
Derivative liabilities	4,257	3,944
Total	Rs. 105,642	Rs. 100,938

Fair Value

The fair value of cash and cash equivalents, trade receivables, unbilled revenues, trade payables, current financial liabilities and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. A substantial portion of the Company's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Accordingly, the carrying value of such long-term debt approximates fair value. Further, finance lease receivables are periodically evaluated based on individual credit worthiness of customers. Based on this evaluation, the Company records allowance for expected losses on these receivables. As of March 31, 2010 and 2011, the carrying value of such receivables, net of allowances approximates the fair value.

Investments in liquid and short-term mutual funds, which are classified as available-for-sale are measured using quoted market prices at the reporting date multiplied by the quantity held. Fair value of investments in certificate of deposits, classified as available for sale is determined using observable market inputs.

The fair value of derivative financial instruments is determined based on observable market inputs including currency spot and forward rates, yield curves, currency volatility etc.

Fair value hierarchy

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Particulars	As at March 31, 2010				As at March 31, 2011			
	Total	Fair value measurements at reporting date using			Total	Fair value measurements at reporting date using		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Assets								
Derivative instruments								
- Cash flow hedges	Rs. 2,684	Rs.	Rs. 2,684	Rs.	Rs. 1,991	Rs.	Rs. 1,991	Rs.
- Net investment hedges	702		702		1,523		1,523	
- Others	430		430		1,179		1,179	
Available for sale financial assets:								
- Investment in liquid and short-term mutual funds	19,157	19,157			25,246	25,246		
- Investment in certificate of deposits and other investments	11,263		11,263		24,036		24,036	
Liabilities								
Derivative instruments								
- Cash flow hedges	1,818		1,818		1,504		1,504	
- Net investment hedges	1,578		1,578		1,701		1,701	
- Others	861		861		739		739	

Derivatives assets and liabilities:

The Company is exposed to foreign currency fluctuations on foreign currency assets / liabilities, forecasted cash flows denominated in foreign currency and net investment in foreign operations. The Company follows established risk management policies, including the use of derivatives to hedge foreign currency assets / liabilities, foreign currency forecasted cash flows and net investment in foreign operations. The counter party in these derivative instruments is a bank and the Company considers the risks of non-performance by the counterparty as non-material.

The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding:

As at March 31,

	2010	2011
Designated derivative instruments		
Sell	US\$ 1,518	US\$ 901
		2
	£ 31	£ 21
	¥ 4,578	¥ 3,026
	AUD 7	AUD 4
	CHF	CHF 6
Net investment hedges in foreign operations		
Cross-currency swaps	¥ 26,014	¥ 24,511
Others	US\$ 262	US\$ 262
	40	40
Non designated derivative instruments		
Sell	US\$ 45	US\$ 526
	£ 38	£ 40
	29	48
	AUD	AUD 13
Buy	US\$ 492	US\$ 617
Cross currency swaps	¥ 7,000	¥ 7,000

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The following table summarizes activity in the cash flow hedging reserve within equity related to all derivative instruments classified as cash flow hedges:

	As at March 31,	
	2010	2011
Balance as at the beginning of the year	Rs. (16,886)	Rs. (4,954)
Net (gain)/loss reclassified into statement of income on occurrence of hedged transactions ⁽¹⁾	5,201	4,041
Deferred cancellation gains/(losses) relating to roll over hedging	551	222
Changes in fair value of effective portion of derivatives	6,180	(535)
Gains/ (losses) on cash flow hedging derivatives, net	Rs. 11,932	Rs. 3,728
Balance as at the end of the year	Rs. (4,954)	Rs. (1,226)

(1) On occurrence of hedge transactions, net (gain)/loss was included as part of revenues.

The related hedge transactions for balance in cash flow hedging reserve as of March 31, 2011 are expected to occur and reclassified to the statement of income over a period of 2 years.

As at March 31, 2010 and 2011, 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.

Sale of financial assets

From time to time, in the normal course of business, the Company transfers accounts receivables, net investment in finance lease receivables and employee advances (financials assets) to banks. Under the terms of the arrangements, the Company surrenders control over the financial assets and transfer is without recourse. Accordingly, such transfers are recorded as sale of financial assets. Gains and losses on sale of financial assets without recourse are recorded at the time of sale based on the carrying value of the financial assets and fair value of servicing liability.

In certain cases, transfer of financial assets may be with recourse. Under arrangements with recourse, the Company is obligated to repurchase the uncollected financial assets, subject to limits specified in the agreement with the banks. The Company has transferred trade receivables with recourse obligation (credit risk) and accordingly, in such cases the amounts received are recorded as borrowings in the statement of financial position and cash flows from financing activities. As at March 31, 2010 and 2011, the maximum amount of recourse obligation in respect of the transferred financial assets (recorded as borrowings) is Rs. 657 and Rs. 1,085, respectively.

Financial risk management*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.

The Company's 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 the Company's earnings and equity to losses.

Risk Management Procedures

The Company manages market risk through a corporate treasury department, which evaluates and exercises independent control over the entire process of market risk management. The corporate treasury department recommends risk management objectives and policies, which are approved by senior management and the 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.

Table of Contents*Foreign currency risk*

The Company operates internationally and a major portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its 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 the Company's results of operations.

The Company evaluates exchange rate exposure arising from these transactions and enters into foreign currency derivative instruments to mitigate such exposure. The Company follows established risk management policies, including the use of derivatives like foreign exchange forward / option contracts to hedge forecasted cash flows denominated in foreign currency.

The Company has designated certain derivative instruments as cash flow hedge to mitigate the foreign exchange exposure of forecasted highly probable cash flows. The Company has 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 and 2011, Rs.1 increase / decrease in the exchange rate of Indian Rupee with U.S. dollar would result in approximately Rs. 1,071 and Rs. 810 decrease / increase in the fair value of the Company's foreign currency dollar denominated derivative instruments, respectively.

As at March 31, 2010 and 2011, 1% change in the exchange rate between U.S. dollar and Yen would result in approximately Rs. 160 and Rs. 170 increase/decrease in the fair value of cross-currency interest rate swaps, respectively.

The below table presents foreign currency risk from non derivative financial instruments as of March 31, 2010 and 2011:

	As at March 31, 2010					
	US\$	Euro	Pound Sterling	Japanese Yen	Other currencies#	Total
Trade receivables	Rs. 20,639	Rs. 4,607	Rs. 3,879	Rs. 269	Rs. 343	Rs. 29,737
Unbilled revenues	4,986	67	269		4	5,326
Cash and cash equivalents	14,709	346	446	175	77	15,753
Other assets	705	408	201	33	2	1,349
Loans and borrowings	Rs. (34,856)	Rs. (1,007)	Rs. (341)	Rs. (16,839)	Rs. (361)	Rs. (53,404)
Trade payables and accrued expenses	(14,442)	(1,940)	(1,530)	(227)	(196)	(18,335)
Other liabilities	(20)					(20)
Net assets / (liabilities)	Rs. (8,279)	Rs. 2,481	Rs. 2,924	Rs. (16,589)	Rs. (131)	Rs.(19,594)
	As at March 31, 2011					
	US\$	Euro	Pound Sterling	Japanese Yen	Other currencies#	Total
Trade receivables	Rs. 24,408	Rs. 5,123	Rs. 4,821	Rs. 370	Rs. 3,237	Rs. 37,959
Unbilled revenues	13,605	239	494		271	14,609

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Cash and cash equivalents	22,463	1,863	1,949	290	1,414	27,979
Other assets	187	311	63	2	126	689
Loans and borrowings	Rs. (27,544)	Rs. (1,322)	Rs.	Rs. (18,861)	Rs.	Rs. (47,727)
Trade payables and accrued expenses	(10,770)	(2,063)	(1,407)	(357)	(162)	(14,759)
Other liabilities						
Net assets / (liabilities)	Rs. 22,349	Rs. 4,151	Rs. 5,920	Rs. (18,556)	Rs. 4,886	Rs. 18,750

Other currencies reflects currencies such as Singapore dollars, Saudi Arabian riyals etc.

As at March 31, 2010 and 2011 respectively, every 1% increase/decrease of the respective foreign currencies compared to functional currency of the Company would impact our result from operating activities by approximately Rs. (196) and Rs. 187 respectively.

Table of Contents*Interest rate risk*

Interest rate risk primarily arises from floating rate borrowing, including various revolving and other lines of credit. The Company's investments are primarily in short-term investments, which do not expose it to significant interest rate risk. The Company manages its 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, the Company may enter into interest rate swap agreements, which allows the Company to exchange periodic payments based on a notional amount and agreed upon fixed and floating interest rates. As of March 31, 2011, substantially all of the Company borrowings was subject to floating interest rates, which reset at short intervals. If interest rates were to increase by 100 bps from March 31, 2011, additional annual interest expense on the Company's floating rate borrowing would amount to approximately Rs. 500.

Credit risk

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. No single customer accounted for more than 10% of the accounts receivable as at March 31, 2010 and 2011, respectively and revenues for the year ended March 31, 2009, 2010 and 2011, respectively. There is no significant concentration of credit risk.

Financial assets that are neither past due nor impaired

Cash and cash equivalents, available-for-sale financial assets, investment in certificates of deposits and interest bearing deposits with corporates are neither past due nor impaired. Cash and cash equivalents with banks and interest-bearing deposits are placed with corporate, which have high credit-ratings assigned by international and domestic credit-rating agencies. Available-for-sale financial assets substantially include investment in liquid mutual fund units. Certificates of deposit represent funds deposited with banks or other financial institutions for a specified time period.

Financial assets that are past due but not impaired

There is no other class of financial assets that is past due but not impaired except for trade receivables and finance receivables of Rs. 2,327 and Rs. 2,594 as of March 31, 2010 and 2011, respectively. Of the total receivables, Rs. 34,608 and Rs. 41,146 as of March 31, 2010 and 2011, respectively, were neither past due nor impaired. The company's credit period generally ranges from 45-60 days. The aging analysis of the receivables have been considered from the date of the invoice. The age wise break up of receivables, net of allowances that are past due, is given below:

	As at March 31,	
	2010	2011
Financial assets that are neither past due nor impaired	Rs. 34,608	Rs. 41,146
Financial assets that are past due but not impaired		
Past due 0 - 30 days	3,816	4,249
Past due 31 - 60 days	4,468	6,976
Past due 61 - 90 days	2,489	3,273
Past due over 90 days	11,163	14,834
Total past due and not impaired	Rs. 21,936	Rs. 29,332

Counterparty risk

Counterparty risk encompasses issuer risk on marketable securities, settlement risk on derivative and money market contracts and credit risk on demand 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 the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's 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.

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Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. As of March 31, 2010 and 2011, cash and cash equivalents are held with major banks and financial institutions.

The table below provided details regarding the contractual maturities of significant financial liabilities.

	As at March 31, 2010				
	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Loans and borrowings	Rs. 44,404	Rs. 544	Rs. 17,441	Rs. 122	Rs. 62,511
Trade payables and accrued expenses	38,748				38,748
Derivative liabilities	1,375	487	2,395		4,257

	As at March 31, 2011				
	Less than 1 year	1-2 years	2-4 years	4-7 years	Total
Loans and borrowings	Rs. 33,043	Rs. 19,322	Rs. 304	Rs. 133	Rs. 52,802
Trade payables and accrued expenses	44,052				44,052
Derivative liabilities	1,358	2,586			3,944

The balanced view of liquidity and financial indebtedness is stated in the table below. This calculation of the net cash position is used by the management for external communication with investors, analysts and rating agencies:

	As at March 31,	
	2010	2011
Cash and cash equivalents	Rs. 64,878	Rs. 61,141
Interest bearing deposits with corporates	10,050	4,240
Available for sale investments	30,420	49,282
Loans and borrowings	(62,511)	(52,802)
Net cash position	Rs. 42,837	Rs. 61,861

16. Investment in equity accounted investees*Wipro GE Medical Systems (Wipro GE)*

The Company holds 49% interest in Wipro GE. Wipro GE is a private entity that is not listed on any public exchange. The carrying value of the investment in Wipro GE as at March 31, 2010 and 2011 was Rs. 2,345 and Rs. 2,993, respectively. The Company's share of profits of Wipro GE for the year ended March 31, 2009, 2010 and 2011 was Rs. 362, Rs. 530 and Rs. 648, respectively.

The aggregate summarized financial information of Wipro GE is as follows:

	Year ended March 31,		
	2009	2010	2011
Revenue	Rs. 10,611	Rs. 12,567	Rs. 19,882
Gross profit	3,269	3,573	5,278
Profit for the year	875	934	1,127

	As at March 31,	
	2010	2011
Total assets	Rs. 11,518	Rs. 16,830

Total liabilities	6,709	8,543
Total equity	Rs. 4,809	Rs. 8,287

In April 2010, Wipro GE acquired medical equipment and related businesses from General Electric for a cash consideration of approximately Rs. 3,728.

Wipro GE 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. 903, including interest. The tax demands were primarily on account of transfer pricing adjustments and the denial of export benefits and tax holiday benefits claimed by Wipro GE under the

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Indian Income Tax Act, 1961 (the Act). Wipro GE appealed against the said demands before the first appellate authority. The first appellate authority has vacated the tax demands for the years ended March 31, 2001, 2002, 2003 and 2004. The income tax authorities have filed an appeal for the years ended March 31, 2001, 2002, 2003 and 2004.

In December 2008, Wipro GE received, on similar grounds, additional tax demand of Rs. 552 (including interest) for the financial year ended March 31, 2005. Wipro GE had filed an appeal against the said demand and in the month of February 2011, the appellate order has been received, setting aside the entire TP adjustment and reducing the overall demand of Rs. 552 (including interest) to Rs. 220 (including interest). Wipro GE would be seeking further relief in this regard.

In December 2009, Wipro GE received a draft assessment order, on similar grounds, with a demand of Rs. 317 (including interest) for the financial year ended March 31, 2006. The final assessment order was issued in this regard demanding the same amount, plus interest and Wipro GE has filed an appeal against the said demand before the Income Tax Appellate Tribunal within the time limit permitted under the statute.

In February 2011, Wipro GE received an assessment order, on similar grounds, with a demand of Rs. 843 (including interest) for the financial year ended March 31, 2007. In this regard, Wipro GE has filed an appeal with the first appellate authority against the said demand within the time limit permitted under the statute.

Considering the facts and nature of disallowance and the order of the appellate authority upholding the claims of Wipro GE, Wipro GE believes that the final outcome of the disputes should be in its favor and will not have any material adverse effect on its financial position and results of operations.

17. Foreign currency translation reserve

The movement in foreign currency translation reserve attributable to equity holders of the Company is summarized below:

	As at March 31,	
	2010	2011
Balance at the beginning of the year	Rs. 1,533	Rs. 258
Translation difference related to foreign operations	(5,477)	1,246
Change in effective portion of hedges of net investment in foreign operations	4,202	20
Total change during the year	Rs. (1,275)	Rs. 1,266
Balance at the end of the year	Rs. 258	Rs. 1,524

18. Income taxes

Income tax expense has been allocated as follows:

	Year ended March 31,		
	2009	2010	2011
Income tax expense as per the statement of income	Rs. 6,035	Rs. 9,294	Rs. 9,714
Income tax included in other comprehensive income on:			
unrealized gains/(losses) on available for sale investments	(131)	(14)	2
gains/(losses) on cash flow hedging derivatives	(2,353)	2,091	44
Total income taxes	Rs. 3,551	Rs. 11,371	Rs. 9,760

Income tax expense from continuing operations consist of the following:

	Year ended March 31,		
	2009	2010	2011
Current taxes			

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Domestic	Rs. 3,656	Rs. 5,461	Rs. 5,573
Foreign	2,538	3,403	3,895
	Rs. 6,194	Rs. 8,864	Rs. 9,468
Deferred taxes			
Domestic	Rs. (24)	Rs. 40	Rs. 292
Foreign	(135)	390	(46)
	Rs. (159)	Rs. 430	Rs. 246
Total income tax expense	Rs. 6,035	Rs. 9,294	Rs. 9,714

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The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

	Year ended March 31,		
	2009	2010	2011
Profit before taxes	Rs. 44,895	Rs. 55,410	Rs. 63,035
Enacted income tax rate in India	33.99%	33.99%	33.218%
Computed expected tax expense	15,260	18,834	20,939
Effect of:			
Income exempt from tax	(10,368)	(10,802)	(10,458)
Basis differences that will reverse during a tax holiday period	328	898	(217)
Income taxed at higher/ (lower) rates	(166)	(475)	(566)
Income taxes relating to prior years	(370)	(442)	(590)
Changes in unrecognized deferred tax assets	314	811	160
Expenses disallowed for tax purposes	1,024	456	426
Others, net	13	14	20
Total income tax expense	Rs. 6,035	Rs. 9,294	Rs. 9,714

The tax rates under Indian Income Tax Act, for the year ended March 31, 2011 is 33.218% as compared to 33.99% for the year ended March 31, 2010. This change in tax rate is on account of reduction in surcharge from 10% for the year ended March 31, 2010 to 7.5% for the year ended March 31, 2011, in the financial annual budget by the Indian Government.

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

	As at March 31,		
	2009	2010	2011
Carry-forward business losses	Rs. 2,046	Rs. 1,851	Rs. 2,042
Accrued expenses and liabilities	813	568	521
Allowances for doubtful accounts receivable	322	328	716
Cash flow hedges	2,353	262	218
Minimum alternate tax	126	363	488
Others	69	83	196
	5,729	3,455	4,181
Property, plant and equipment	Rs. (365)	Rs. (525)	Rs. (1,107)
Amortizable goodwill	(348)	(458)	(659)
Intangible assets	(789)	(734)	(682)
Investment in equity accounted investee	(332)	(432)	(567)
	(1,834)	(2,149)	(3,015)
Net deferred tax assets	Rs. 3,895	Rs. 1,306	Rs. 1,166
Amounts presented in statement of financial position:			
Deferred tax assets	Rs. 4,369	Rs. 1,686	Rs. 1,467
Deferred tax liabilities	Rs. (474)	Rs. (380)	Rs. (301)

Deferred taxes on unrealized foreign exchange gain / loss relating to cash flow hedges is recognized in other comprehensive income and presented within equity in the cash flow hedging reserve. Deferred tax liability on the intangible assets identified and recorded separately at the time of acquisition is recorded by an adjustment to goodwill. Other than these, the change in deferred tax assets and liabilities is primarily recorded in the statement of income.

In assessing the realizability of deferred tax assets, the Company considers the extent to which, it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. Based on this, the Company believes that it is probable that the Company will realize the benefits of these deductible differences. The amount of the deferred tax asset considered realizable, however, could be reduced in the near term if the estimates of future taxable income during the carry-forward period are reduced. Deferred tax asset in respect of unused tax losses amounting to Rs. 1,743 and Rs. 2,076 as of March 31, 2010 and 2011, respectively have not been recognized by the Company.

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The Company has recognized deferred tax assets of Rs. 1,851 and Rs. 2,043 in respect of carry forward losses of its U.S. subsidiary during the year ended March 31, 2010 and 2011. Management's projections of future taxable income and tax planning strategies support the assumption that it is probable that sufficient taxable income will be available to utilize these deferred tax assets.

Pursuant to the changes in the Indian income tax laws in fiscal 2007, Minimum Alternate Tax (MAT) has been extended to income in respect of which deduction is claimed under section 10A and 10B of the Act; consequently, the Company has calculated its tax liability for current domestic taxes after considering MAT. The excess tax paid under MAT provisions over and above normal tax liability can be carried forward and set-off against future tax liabilities computed under normal tax provisions. The Company was required to pay MAT and accordingly, a deferred tax asset of Rs. 363 and Rs. 488 has been recognized in the statement of financial position as of March 31, 2010 and 2011, respectively, which can be carried forward for a period of ten years from the year of recognition.

A substantial portion of the profits of the Company's India operations are exempt from Indian income taxes being profits attributable to export operations and profits from undertakings situated in Software Technology, Hardware Technology Parks and Export Oriented units. Under the tax holiday, the taxpayer can utilize an exemption from income taxes for a period of any ten consecutive years. The tax holidays on all facilities under Software Technology, Hardware Technology Parks and Export oriented units has expired on March 31, 2011. Additionally, under the Special Economic Zone Act, 2005 scheme, units in designated special economic zones providing service on or after April 1, 2005 will be eligible for a deduction of 100 percent of profits or gains derived from the export of services for the first five years from commencement of provision of services and 50 percent of such profits and gains for a further five years. Certain tax benefits are also available for a further five years subject to the unit meeting defined conditions. Profits from certain other undertakings are also eligible for preferential tax treatment. In addition, dividend income from certain category of investments is exempt from tax. The difference between the reported income tax expense and income tax computed at statutory tax rate is primarily attributable to income exempt from tax.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries 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. Accordingly, deferred income tax liabilities on cumulative earnings of subsidiaries amounting to Rs. 8,436 and Rs. 12,969 as of March 31, 2010 and 2011, respectively has not been recognized. Further, it is not practicable to estimate the amount of the unrecognized deferred tax liabilities for these undistributed earnings.

The tax loss carry-forwards of Rs. 5,450 and Rs. 5,941 as of March 31, 2010 and 2011, respectively relates to certain subsidiaries on which deferred tax asset has not been recognized by the Company. Approximately, Rs. 4,531 and Rs. 4,644 as of March 31, 2010 and 2011 respectively, of these tax loss carry-forwards is not currently subject to expiration dates. The remaining tax loss carry forward of approximately Rs. 919 and Rs. 1,297 as of March 31, 2010 and 2011 respectively, expires in various years through fiscal 2029.

We are subject to U.S. tax on income attributable to our permanent establishment in the United States due to operation of our U.S. branch. In addition, the Company is 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. The Company has not triggered the branch profit tax until year ended March 31, 2011. The Company intends to maintain the current level of net assets in the United States commensurate with its operation and consistent with its business plan. The Company does not intend to repatriate out of the United States any portion of its current profits. Accordingly, the Company did not record current and deferred tax provision for branch profit tax.

19. Dividends

The Company declares and pays dividends in Indian rupees. According to the Indian law any dividend should be declared out of accumulated distributable profits only after the transfer to a general reserve of a specified percentage of net profit computed in accordance with current regulations.

The cash dividends paid per equity share were Rs. 4, Rs. 4 and Rs. 6 during the years ended March 31, 2009, 2010 and 2011, respectively. The Company has also paid an interim dividend of Rs. 2 per equity share during the year ended March 31, 2011.

During the year ended March 31, 2011, the Company has also paid stock dividend, commonly known as bonus shares in India, comprised of two equity shares for every three equity shares outstanding on the record date and two ADSs for every three ADSs outstanding on the record date. 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.

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The Board of Directors in their meeting on April 27, 2011 proposed a final dividend of Rs. 4 (US\$0.09) per equity share and ADR. The proposal is subject to the approval of shareholders at the Annual General Meeting to be held on July 19, 2011, and if approved, would result in a cash outflow of approximately Rs. 11,410, including corporate dividend tax thereon (Rs. 1,593).

20. Additional capital disclosures

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

The Company's goal is to continue to be able to return excess liquidity to shareholders by continuing distributing annual dividends in future periods. During the year ended March 31, 2010 and 2011, the Company distributed Rs. 4 and Rs. 6, respectively in dividend per equity share. The Company has also distributed an interim dividend of Rs. 2 per equity share during the year ended March 31, 2011. The amount of future dividends will be balanced with effort to continue to maintain an adequate liquidity status.

The capital structure as of March 31, 2010 and 2011 was as follows:

	As at March 31,		% Change
	2010	2011	
Total equity attributable to the equity shareholders of the Company	Rs. 196,112	Rs. 239,680	22.22%
As percentage of total capital	76%	82%	
Current loans and borrowings	44,404	33,043	
Non-current loans and borrowings	18,107	19,759	
Total loans and borrowings	62,511	52,802	(15.53)%
As percentage of total capital	24%	18%	
Total capital (loans and borrowings and equity)	Rs. 258,623	Rs. 292,482	13.09%

The Company is predominantly equity-financed. This is also evident from the fact that loans and borrowings represented only 24% and 18% of total capital as of March 31, 2010 and 2011, respectively. Further, the Company has consistently been a net cash company with cash and bank balance along with available for sale investments being in excess of debt.

21. Revenues

	Year ended March 31,		
	2009	2010	2011
Rendering of services	Rs. 193,009	Rs. 202,990	Rs. 234,285
Sale of products	63,882	68,967	76,257
Total revenues	Rs. 256,891	Rs. 271,957	Rs. 310,542

22. Expenses by nature

	Year ended March 31,		
	2009	2010	2011
Employee compensation	Rs. 107,266	Rs. 107,230	Rs. 126,867

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Raw materials, finished goods, process stocks and stores and spares consumed	47,179	51,813	50,166
Sub contracting/technical fees/third party application	15,890	17,527	26,415
Travel	9,313	8,064	10,156
Depreciation and amortization	6,948	7,831	8,211
Repairs	4,045	5,020	5,253
Advertisement	3,221	4,534	5,114
Communication	3,006	3,157	3,492
Rent	2,526	3,062	3,230
Power and fuel	1,863	1,797	2,427

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	Year ended March 31,		
	2009	2010	2011
Legal and professional fees	1,502	1,593	1,629
Rates, taxes and insurance	955	1,023	1,324
Carriage and freight	885	950	1,181
Provision for doubtful debt	939	566	399
Sales commission	515	459	656
Miscellaneous expenses	5,985	5,104	6,799
Total cost of revenues, selling and marketing expenses and general and administrative expenses	Rs. 212,038	Rs. 219,730	Rs. 253,319

23. Finance expense

	Year ended March 31,		
	2009	2010	2011
Interest expense	Rs. 2,333	Rs. 1,232	Rs. 776
Exchange fluctuation on foreign currency borrowings, net	1,491	92	1,157
Total	Rs. 3,824	Rs. 1,324	Rs. 1,933

24. Finance and other income

	Year ended March 31,		
	2009	2010	2011
Interest income	Rs. 1,964	Rs. 2,610	Rs. 4,057
Dividend income	2,265	1,442	2,403
Gain on sale of investments	681	308	192
Others	147		
Total	Rs. 5,057	Rs. 4,360	Rs. 6,652

25. Earnings per equity share

A reconciliation of profit for the year and equity shares used in the computation of basic and diluted earnings per equity share is set out below:

Basic: Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period, excluding equity shares purchased by the Company and held as treasury shares. Equity shares held by controlled Wipro Equity Reward Trust (WERT) and Wipro Inc Benefit Trust (WIBT) have been reduced from the equity shares outstanding for computing basic and diluted earnings per share.

	Year ended March 31,		
	2009	2010	2011
Profit attributable to equity holders of the Company	Rs. 38,761	Rs. 45,931	Rs. 52,977
Weighted average number of equity shares outstanding	2,423,558,482	2,429,025,243	2,436,440,633
Basic earnings per share	Rs. 15.99	Rs. 18.91	Rs. 21.74

Diluted: Diluted earnings per share is calculated by adjusting the weighted average number of equity shares outstanding during the period for assumed conversion of all dilutive potential equity shares. Employee share options are dilutive potential equity shares for the Company.

The calculation is performed in respect of share options to determine the number of shares that could have been acquired at fair value (determined as the average market price of the Company's shares during the period). The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	Year ended March 31,		
	2009	2010	2011
Profit attributable to equity holders of the Company	Rs. 38,761	Rs. 45,931	Rs. 52,977
Weighted average number of equity shares outstanding	2,423,558,482	2,429,025,243	2,436,440,633
Effect of dilutive equivalent share options	13,905,921	20,633,289	14,713,521
Weighted average number of equity shares for diluted earnings per share	2,437,464,403	2,449,658,532	2,451,154,154
Diluted earnings per share	Rs. 15.90	Rs. 18.75	Rs. 21.61

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Earnings per share and number of share outstanding for the year ended March 31, 2009 and 2010, have been adjusted for the two equity shares for every three equity shares stock dividend approved by the shareholders on June 4, 2010.

26. Employee stock incentive plans

The stock compensation expense recognized for employee services received during the year ended March 31, 2009, 2010 and 2011 is Rs. 1,868, Rs. 1,302 and Rs. 1,092, respectively.

Wipro Equity Reward Trust (WERT)

In 1984, the Company established a controlled trust called the Wipro Equity Reward Trust (WERT). The WERT purchases shares of the Company out of funds borrowed from the Company. The Company's compensation committee recommends to the WERT certain officers and key employees, to whom the WERT grants shares from its holdings at nominal price. Such shares are then held by the employees subject to vesting conditions. The shares held by the WERT are reported as a reduction in stockholders' equity.

The movement in the shares held by the WERT is given below:

	Year ended March 31,		
	2009	2010	2011
Shares held at the beginning of the period ⁽¹⁾	7,961,760	7,961,760	13,269,600
Shares granted to employees			
Grants forfeited by employees			
Shares held at the end of the period	7,961,760	7,961,760	13,269,600

⁽¹⁾ The opening balance as of April 1, 2010 has been adjusted for the two equity shares for every three equity shares stock dividend approved by the shareholders on June 4, 2010.

Wipro Employee Stock Option Plan and Restricted Stock Unit Option Plan

A summary of the general terms of grants under stock option plans and restricted stock unit option plans are as follows:

Name of Plan	Authorized Shares⁽¹⁾	Range of Exercise Prices
Wipro Employee Stock Option Plan 1999 (1999 Plan)	50,000,000	Rs. 171 - 490
Wipro Employee Stock Option Plan 2000 (2000 Plan)	250,000,000	Rs. 171 - 490
Stock Option Plan (2000 ADS Plan)	15,000,000	US\$ 3 - 7
Wipro Restricted Stock Unit Plan (WRSUP 2004 plan)	20,000,000	Rs. 2
Wipro ADS Restricted Stock Unit Plan (WARSUP 2004 plan)	20,000,000	US\$ 0.04
Wipro Employee Restricted Stock Unit Plan 2005 (WSRUP 2005 plan)	20,000,000	Rs. 2
Wipro Employee Restricted Stock Unit Plan 2007 (WSRUP 2007 plan)	16,666,667	Rs. 2

⁽¹⁾ adjusted for the two equity shares for every three equity shares stock dividend approved by the shareholders on June 4, 2010.

Employees covered under the stock option plans and restricted stock unit option plans (collectively stock option plans) are granted an option to purchase shares of the Company at the respective exercise prices, subject to requirement of vesting conditions (generally service conditions). These options generally vest in tranches over a period of five years from the date of grant. Upon vesting, the employees can acquire one equity share for every option. The maximum contractual term for these stock option plans is generally ten years.

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The activity in these stock option plans is summarized below:

	Range of Exercise Prices		2009		Year ended March 31, 2010		2011	
			Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Outstanding at the beginning of the period ⁽¹⁾	Rs. 229	265	1,219,926	Rs. 264	1,140	Rs. 254		Rs.
	Rs. 489			Rs.	120,000	Rs. 489	200,000	Rs. 293.40
	US\$ 4	6	8,706	US\$ 5	1,606	US\$ 4.7	2,677	US\$ 2.82
	Rs. 2		9,700,163	Rs. 2	13,799,549	Rs. 2	17,103,172	Rs. 2
	US\$ 0.04		1,885,236	US\$ 0.04	2,470,641	US\$ 0.04	2,943,035	US\$ 0.04
Granted	Rs. 229	265		Rs.		Rs.		Rs.
	Rs. 489		120,000	Rs. 489		Rs.		Rs.
	US\$ 4	6		US\$		US\$		US\$
	Rs. 2		6,882,415	Rs. 2	5,000	Rs. 2	5,227,870	Rs. 2
	US\$ 0.04		1,484,261	US\$ 0.04	137,100	US\$ 0.04	1,437,060	US\$ 0.04
Exercised	Rs. 229	265	(345,099)	Rs. 263		Rs.		Rs.
	Rs. 489			Rs.		Rs.	(80,000)	Rs. 293.40
	US\$ 4	6	(4,400)	US\$ 4.7		US\$		US\$
	Rs. 2		(1,762,283)	Rs. 2	(2,736,924)	Rs. 2	(5,482,210)	Rs. 2
	US\$ 0.04		(446,841)	US\$ 0.04	(493,519)	US\$ 0.04	(870,622)	US\$ 0.04
Forfeited and lapsed	Rs. 229	265	(873,687)	Rs. 264	(1,140)	Rs. 254		Rs.
	Rs. 489			Rs.		Rs.	(120,000)	Rs. 293.40
	US\$ 4	6	(2,700)	US\$ 5.82		US\$	(2,677)	US\$ 2.82
	Rs. 2		(1,020,746)	Rs. 2	(805,722)	Rs. 2	(1,466,071)	Rs. 2
	US\$ 0.04		(452,015)	US\$ 0.04	(348,401)	US\$ 0.04	(285,581)	US\$ 0.04
Outstanding at the end of the period	Rs. 229	265	1,140	Rs. 254		Rs.		Rs.
	Rs. 489		120,000	Rs. 489	120,000	Rs. 489		Rs.
	US\$ 4	6	1,606	US\$ 4.7	1,606	US\$ 4.7		US\$
	Rs. 2		13,799,549	Rs. 2	10,261,903	Rs. 2	15,382,761	Rs. 2
	US\$ 0.04		2,470,641	US\$ 0.04	1,765,821	US\$ 0.04	3,223,892	US\$ 0.04
Exercisable at the end of the period	Rs. 229	265	1,140	Rs. 254		Rs.		Rs.
	Rs. 489			Rs.		Rs.		Rs.
	US\$ 4	6	1,606	US\$ 4.7	1,606	US\$ 4.7		US\$
	Rs. 2		2,975,987	Rs. 2	4,719,739	Rs. 2	7,533,984	Rs. 2

US\$ 0.04 208,412 US\$ 0.04 645,341 US\$ 0.04 1,147,391 US\$ 0.04

- (1) The opening balance as of April 1, 2010 have been adjusted for the two equity shares for every three equity shares stock dividend approved by the shareholders on June 4, 2010.

The following table summarizes information about outstanding stock options:

Range of Exercise price	2009			As at March 31, 2010			2011		
	Numbers	Weighted Average Remaining Life	Weighted Average Exercise Price	Numbers	Weighted Average Remaining Life	Weighted Average Exercise Price	Numbers	Weighted average remaining Life	Weighted Average Exercise Price
Rs. 229 265	1,140	3	Rs. 254						
Rs. 489	120,000	61	Rs. 489	120,000	49	Rs. 489			Rs.
US\$4 6	1,606	12	US\$ 4.70	1,606	1	US\$ 4.70			US\$
Rs. 2	13,799,549	44	Rs. 2	10,261,903	37	Rs. 2	15,382,761	35	Rs. 2
US\$0.04	2,470,641	51	US\$ 0.04	1,765,821	44	US\$ 0.04	3,223,892	48	US\$ 0.04

The weighted-average grant-date fair value of options granted during the year ended March 31, 2009, 2010 and 2011 was Rs. 319, Rs. 814 and Rs. 417.65 for each option, respectively. The weighted average share price of options exercised during the year ended March 31, 2009, 2010 and 2011 was Rs. 360.96, Rs. 557.52 and Rs. 424.28 for each option, respectively.

The fair value of 120,000 options granted during the year ended March 31, 2009 (other than at nominal exercise price) has been estimated on the date of grant using the Binomial option pricing model. The fair value of share options has been determined using the following assumptions:

Expected term	5-7 years
Risk free interest rates	7.36 7.42
Volatility	35.81 36.21
Dividend yield	1%

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a) Employee costs include:

	Year ended March 31,		
	2009	2010	2011
Salaries and bonus	Rs. 102,661	Rs. 103,194	Rs. 122,399
Employee benefit plans			
Defined benefit plan	310	276	469
Contribution to provident and other funds	2,427	2,458	2,907
Share based compensation	1,868	1,302	1,092
	Rs. 107,266	Rs. 107,230	Rs. 126,867

The employee benefit cost is recognized in the following line items in the statement of income:

	Year ended March 31,		
	2009	2010	2011
Cost of revenues	Rs. 90,321	Rs. 90,350	Rs. 106,235
Selling and marketing expenses	10,594	9,126	10,860
General and administrative expenses	6,351	7,754	9,772
	Rs. 107,266	Rs. 107,230	Rs. 126,867

b) Defined benefit plans:

Amount recognized in the statement of income in respect of gratuity cost (defined benefit plan) is as follows:

	Year ended March 31,		
	2009	2010	2011
Interest on obligation	Rs. 135	Rs. 133	Rs. 161
Expected return on plan assets	(92)	(122)	(164)
Actuarial losses/(gains) recognized	(102)	(63)	(168)
Past service cost			254
Current service cost	369	328	386
Net gratuity cost/(benefit)	Rs. 310	Rs. 276	Rs. 469
Actual return on plan assets	Rs. 106	Rs. 138	Rs. 177

In May 2010, the Government of India amended the Payment of Gratuity Act, 1972 to increase the limit of gratuity payment from Rs. 0.35 to Rs. 1. Consequently, during the year ended March 31, 2011, the Company has recognized Rs. 254 of vested past service cost in the statement of income.

The principal assumptions used for the purpose of actuarial valuation are as follows:

	As at March 31,		
	2009	2010	2011
Discount rate	6.75%	7.15%	7.95%
Expected return on plan assets	8%	8%	8%
Expected rate of salary increase	5%	5%	5%

The expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Change in present value of defined benefit obligation is summarized below:

	As at March 31,		
	2009	2010	2011
Defined benefit obligation at the beginning of the year	Rs. 1,515	Rs. 1,858	Rs. 2,060
Acquisitions	34		
Current service cost	369	328	386
Past service cost			254
Interest on obligation	135	133	161
Benefits paid	(118)	(214)	(230)
Actuarial losses/(gains)	(77)	(45)	(155)
Defined benefit obligation at the end of the year	Rs. 1,858	Rs. 2,060	Rs. 2,476

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Change in plan assets is summarized below:

		As at March 31,		
	2009	2010	2011	
Fair value of plan assets at the beginning of the year	Rs. 1,244	Rs. 1,416	Rs. 1,967	
Acquisitions	19			
Expected return on plan assets	92	122	164	
Employer contributions	154	625	473	
Benefits paid	(118)	(214)	(230)	
Actuarial gains/(losses)	25	18	13	
Fair value of plan assets at the end of the year	1,416	1,967	2,387	
Present value of unfunded obligation	Rs. (442)	Rs. (93)	Rs. (89)	
Recognized liability	Rs. (442)	Rs. (93)	Rs. (89)	

The experience adjustments, meaning difference between changes in plan assets and obligations expected on the basis of actuarial assumption and actual changes in those assets and obligations are as follows:

		As at March 31,		
	2009	2010	2011	
Difference between expected and actual developments:				
of fair value of the obligation	(59)	(84)	(32)	
of fair value of plan assets	26	18	15	

As at March 31, 2009, 2010 and 2011, 100% of the plan assets were invested in insurer managed funds.

The expected future contribution and estimated future benefit payments from the fund are as follows:

Expected contribution to the fund during the year ending March 31, 2012	Rs. 379
Estimated benefit payments from the fund for the year ending March 31:	
2012	Rs. 498
2013	538
2014	545
2015	558
2016	623
Thereafter	2,590
Total	Rs. 5,352

The expected benefits are based on the same assumptions used to measure the Company's benefit obligations as of March 31, 2011.

28. Related party relationships and transactions

List of subsidiaries as of March 31, 2011 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.
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.
	Wipro Holding Austria GmbH ^(A)	Austria
	3D Networks (UK) Limited	U.K.
Wipro Cyprus Private Limited		Cyprus
	Wipro Technologies S.A DE C. V	Mexico

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Direct Subsidiaries	Step Subsidiaries	Country of Incorporation
Wipro BPO Philippines LTD. Inc		Philippines
Wipro Holdings Hungary Korlátolt Felelősségű Társaság		Hungary
Wipro Technologies Argentina SA		Argentina
Wipro Information Technology Egypt SAE		Egypt
Wipro Arabia Limited*		Saudi Arabia
Wipro Poland Sp Zoo		Poland
Wipro Outsourcing Services UK Limited		U.K.
Wipro Technologies (South Africa) Proprietary Limited		South Africa
Wipro Information Technology Netherlands BV (formerly RetailBox BV)		Netherland
	Wipro Portugal S.A. ^(A) (Formerly Enabler Informatica SA)	Portugal
	Wipro Technologies Limited, Russia	Russia
Wipro Technologies Oy		Finland
Wipro Infrastructure Engineering AB		Sweden
	Wipro Infrastructure Engineering Oy	Finland
	Hydrauto Celka San ve Tic	Turkey
Wipro Technologies SRL		Romania
Wipro Singapore Pte Limited		Singapore
	PT WT Indonesia	Indonesia
	Wipro Unza Holdings Limited ^(A)	Singapore
	Wipro Technocentre (Singapore) Pte Limited	Singapore
	Wipro (Thailand) Co Limited	Thailand
	Wipro Bahrain Limited WLL	Bahrain
Wipro Yardley FZE		Dubai
Wipro Australia Pty Limited		Australia
Wipro Networks Pte Limited (formerly 3D Networks Pte Limited)		Singapore
Planet PSG Pte Limited		Singapore
Wipro Technologies SDN BHD (Formerly Planet PSG SDN BHD)		Malaysia
Wipro Chengdu Limited		China

Wipro Chandrika Limited*		India
WMNETSERV Limited	WMNETSERV (U.K.) Limited. WMNETSERV INC	Cyprus U.K. U.S.
Wipro Technology Services Limited		India
Wipro Airport IT Services Limited*		India
Wipro Infrastructure Engineering Machinery (Changzhou) Co., Ltd.		China

* All the above direct subsidiaries are 100% held by the Company except that the Company hold 66.67% of the equity securities of Wipro Arabia Limited, 90% of the equity securities of Wipro Chandrika Limited and 74% of the equity securities of Wipro Airport IT Services Limited.

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

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Step Subsidiaries	Step Subsidiaries	Country of Incorporation
Wipro Unza Singapore 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	Wipro Unza (Guangdong) Consumer Products Limited.	Hong Kong 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	Unza Holdings Sdn Bhd Unza (Malaysia) Sdn Bhd	Malaysia Malaysia Malaysia Malaysia
	Manufacturing Services Sdn Bhd	UAA (M) Sdn Bhd Malaysia Malaysia
	Gervas Corporation Sdn Bhd	Shubido Pacific Sdn Bhd ^(a) Malaysia Malaysia
	Formapac Sdn Bhd	Gervas (B) Sdn Bhd Malaysia
Wipro Holding Austria GmbH	New Logic Technologies GmbH New Logic Technologies SARL	Malaysia Austria France
Wipro Portugal S.A.	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

The other related parties are:

Name of entity	Nature	% of holding	Country of Incorporation
Wipro GE Healthcare Private Limited	Associate Entity controlled by	49%	India
Azim Premji Foundation	Director Entity controlled by		
Azim Premji Trust	Director Entity controlled by		
Hasham Premji (partnership firm)	Director Entity controlled by		
Prazim Traders (partnership firm)	Director Entity controlled by		
Zash Traders (partnership firm)	Director Entity controlled by		
Regal Investment Trading Company Private Limited	Director Entity controlled by		

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Name of entity	Nature	% of holding	Country of Incorporation
Vidya Investment Trading Company private Limited	Entity controlled by Director		
Napean Trading Investment Company Private Limited	Entity controlled by Director		
Key management personnel			
- Azim Premji	Chairman and Managing Director		
- Suresh C Senapaty	Chief Financial Officer and Director		
- Suresh Vaswani	Jt CEO, IT Business and Director ⁽¹⁾		
- Girish S Paranjape	Jt CEO, IT Business and Director ⁽¹⁾		
- T K Kurien	CEO, IT Business and Director ⁽²⁾		
- Dr. Ashok Ganguly	Non-Executive Director		
- Narayan Vaghul	Non-Executive Director		
- Dr. Jagdish N Sheth	Non-Executive Director		
- P.M Sinha	Non-Executive Director		
- B.C. Prabhakar	Non-Executive Director		
- Bill Owens	Non-Executive Director		
- Dr. Henning Kagermann	Non-Executive Director		
- Shyam Saran	Non-Executive Director		

Relative of Key management personnel

- Rishad Premji	Relative of the Key management personnel
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(1) Up to January 31, 2011

(2) W.e.f February 01,2011

The Company has the following related party transactions:

Transaction/ Balances	Associate			Entities controlled by Directors			Key Management Personnel		
	2009	2010	2011	2009	2010	2011	2009	2010	2011
Sale of goods and services	15	7	18	1	1				
Dividend				4,418	4,418	10,362	230	234	536##
Royalty income	36	32							
Key management personnel#									
Remuneration and short-term benefits							85	175	260
Other benefits							32	34	30
Remuneration to relative of key							3	4	5

management personnel

Balances as on

March 31,

Receivables

1 7

Payables

2 4 44 8

Post employment benefit comprising gratuity, and compensated absences are not disclosed as these are determined for the Company as a whole.

including relative of key management personnel.

29. Commitments and contingencies

Operating leases: The Company has taken office and residential facilities under cancelable and non-cancelable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. The operating lease agreements extend up to a maximum of fifteen years from their respective dates of inception and some of these lease agreements have price escalation clause. Rental payments under such leases were Rs. 2,526, Rs. 3,062 and Rs. 3,230, for the year ended March 31, 2009, 2010 and 2011, respectively.

Details of contractual payments under non-cancelable leases are given below:

	As at March 31,	
	2010	2011
Not later than one year	Rs. 1,396	Rs. 1,828
Later than one year but not later than five years	4,319	5,143
Later than five years	2,554	3,294
	Rs. 8,269	Rs. 10,265

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Capital commitments: As at March 31, 2010 and 2011, the Company had committed to spend approximately Rs. 2,782 and Rs. 2,071, respectively, under agreements to purchase property and equipment. These amounts are net of capital advances paid in respect of these purchases.

Guarantees: As at March 31, 2010 and 2011, performance and financial guarantees provided by banks on behalf of the Company to the Indian Government, customers and certain other agencies amount to approximately Rs. 14,526 and Rs. 19,841, respectively, as part of the bank line of credit.

Contingencies and lawsuits: 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 demands were primarily on account of the Indian income tax authority's denial of deductions claimed by the Company under Section 10A of the Income Tax Act 1961, in respect of profits earned by the Company's 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 favor of the Company, thus deleting a substantial portion of the demands raised by the Income tax authorities. On further appeal filed by the income tax authorities, the second appellate authority upheld the claims 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 appeal filed before the first appellate authority against the said order has been allowed in favor of the Company thus deleting substantial demand raised by the Income tax authorities.

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 had filed its objections against the demand before the Dispute Resolution Panel, which later issued directions confirming the position of the assessing officer. Subsequently, the assessing officer passed the final assessment order in October 2010 raising a tax demand of Rs. 7,218 (including interest of Rs. 2,510). The Company has filed an appeal against the said order before the tribunal within the time limit permitted under the statute.

In December 2010, the Company received the draft assessment order, on similar grounds, with a demand of Rs. 7,747 (including interest of Rs. 2,307) for the financial year ended March 31, 2007. The Company has filed an objection against the said demand before the Dispute Resolution Panel, within the time limit permitted under the statute.

Considering the facts and nature of disallowance and the order of the appellate authority upholding the claims of the Company for earlier years, the Company believes that the final outcome of the above disputes should be in favor of the Company and there should not be any material impact on the consolidated financial statements.

The Contingent liability in respect of disputed demands for excise duty, custom duty, income tax, sales tax and other matters amounts to Rs. 872, Rs. 1,384 and Rs. 1,472 as of March 31, 2009, 2010 and 2011, respectively.

The Company is subject to legal proceedings and claims which have arisen in the ordinary course of its business. The resolution of these legal proceedings is not likely to have a material and adverse effect on the results of operations or the financial position of the Company.

Other commitments: The Company's Indian operations have been established as unit in Special Economic Zone and Software Technology Park Unit under plans formulated by the Government of India. As per the plan, the Company's India operations have export obligations to the extent of foreign exchange net positive (i.e. foreign exchange inflow - foreign exchange outflow should be positive) over a five year period. The consequence of not meeting this commitment in the future would be a retroactive levy of import duties on certain hardware previously imported duty free. As of March 31, 2011, the Company has met all commitments required under the plan.

30. Segment Information

The Company is currently organized by segments, which includes IT Services (comprising of IT Services and BPO Services), IT Products, Consumer Care and Lighting and Others .

The Chairman of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by IFRS 8, Operating Segments. The Chairman of the Company evaluates the segments based on their revenue growth, operating income and return on capital employed. The management believes that return on capital employed is considered appropriate for evaluating the performance of its operating segments. Return on capital employed is

calculated as operating income divided by the average of the capital employed at the beginning and at the end of the period. Capital employed includes total assets of the respective segments less all liabilities, excluding loans and borrowings.

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Information on reportable segments is as follows:

	Year ended March 31, 2009						
	IT Services and Products			Consumer Care and	Others	Reconciling Items	Entity Total
	IT Services	IT Products	Total	Lighting			
Revenues	191,613	34,277	225,890	19,249	8,995	1,204	255,338
Cost of revenues	(128,473)	(30,886)	(159,359)	(10,782)	(8,679)	(1,395)	(180,215)
Selling and marketing expenses	(10,581)	(1,361)	(11,942)	(4,750)	(294)	(327)	(17,313)
General and administrative expenses	(12,271)	(667)	(12,938)	(1,125)	(316)	(131)	(14,510)
Operating income of segment	40,288	1,363	41,651	2,592	(294)	(649)	43,300
Finance expense							(3,824)
Finance and other income							5,057
Share of profits of equity accounted investees							362
Profit before tax							44,895
Income tax expense							(6,035)
Profit for the year							38,860
Depreciation and amortization expense			6,192	377	268	111	6,948
Total assets			181,303	22,862	6,748	73,342	284,255
Total liabilities			70,869	5,803	2,465	57,737	136,874
Opening capital employed			93,845	17,359	6,149	53,080	170,433
Closing capital employed			115,089	18,782	5,638	64,763	204,272
Average capital employed			104,467	18,070	5,893	58,923	187,353
Return on capital employed			40%	14%	(5)%		23%

Additions to:						
Goodwill		5,437				5,437
Intangible assets		1,629	124			1,753
Property, plant and equipment		14,463	726	445	646	16,280

Year ended March 31, 2010

Consumer
Care
and

	IT Services and Products					Reconciling	Entity
	IT Services	IT Products	Total	Lighting	Others	Items	Total
Revenues	202,490	38,205	240,695	22,584	7,143	1,152	271,574
Cost of revenues	(132,144)	(34,151)	(166,295)	(11,805)	(7,446)	(753)	(186,299)
Selling and marketing expenses	(10,213)	(1,275)	(11,488)	(6,470)	(323)	(327)	(18,608)
General and administrative expenses	(12,446)	(1,015)	(13,461)	(1,207)	(210)	55	(14,823)
Operating income of segment	47,687	1,764	49,451	3,102	(836)	127	51,844
Finance expense							(1,324)
Finance and other income							4,360
Share of profits of equity accounted investees							530
Profit before tax							55,410
Income tax expense							(9,294)
Profit for the year							46,116
Depreciation and amortization expense			6,816	402	294	319	7,831
Total assets			191,535	25,233	8,779	104,381	329,928
Total liabilities			61,009	5,707	4,284	62,379	133,379
Opening capital employed			115,089	18,782	5,638	64,763	204,272
Closing capital employed			135,829	20,074	7,068	96,092	259,063
			125,459	19,428	6,353	80,427	231,667

Average capital employed					
Return on capital employed	39%	16%	(13)%		22%
Additions to:					
Goodwill	1,557	1,019			2,576
Intangible assets	18	1,031			1,049
Property, plant and equipment	12,223	627	538	11	13,399

Year ended March 31, 2011

	IT Services and Products			Consumer Care and		Reconciling	Entity
	IT Services	IT Products	Total	Lighting	Others	Items	Total
Revenues	234,850	36,910	271,760	27,258	10,896	1,073	310,987
Cost of revenues	(153,446)	(32,843)	(186,289)	(15,142)	(10,160)	(1,217)	(212,808)
Selling and marketing expenses	(12,642)	(1,284)	(13,926)	(7,514)	(491)	(241)	(22,172)
General and administrative expenses	(15,355)	(1,174)	(16,529)	(1,152)	(342)	(316)	(18,339)
Operating income of segment	53,407	1,609	55,016	3,450	(97)	(701)	57,668
Finance expense							(1,933)
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	Year ended March 31, 2011						Entity Total
	IT Services and Products			Consumer Care and Lighting		Reconciling Items	
	IT Services	IT Products	Total	Lighting	Others		
Finance and other income							6,652
Share of profits of equity accounted investees							648
Profit before tax							63,035
Income tax expense							(9,714)
Profit for the year							53,321
Depreciation and amortization expense			7,088	433	328	362	8,211
Total assets			216,511	27,829	10,475	116,628	371,443
Total liabilities			60,998	5,726	5,343	59,005	131,072
Opening capital employed			135,829	20,074	7,068	96,092	259,063
Closing capital employed			159,480	22,249	7,418	104,029	293,176
Average capital employed			147,654	21,161	7,243	100,061	276,119
Return on capital employed			37%	16%	(1)%		21%
Additions to:							
Goodwill			54				54
Intangible assets			28	8			36
Property, plant and equipment			12,647	400	707	891	14,645

The Company has four geographic segments: India, the United States, Europe and Rest of the world. Revenues from the geographic segments based on domicile of the customer are as follows:

	Year ended March 31,		
	2009	2010	2011
India	Rs. 54,945	Rs. 62,179	Rs. 67,904
United States	115,022	119,870	129,217
Europe	57,109	56,780	68,159
Rest of the world	28,262	32,745	45,707

Rs. 255,338 Rs. 271,574 Rs. 310,987

No client individually accounted for more than 10% of the revenues during the year ended March 31, 2009, 2010 and 2011.

Notes:

a) The Company has the following reportable segments:

- i) **IT Services:** The IT Services segment provides IT and IT enabled services to customers. Key service offering includes software application development, application maintenance, research and development services for hardware and software design, data center outsourcing services and business process outsourcing services.
- ii) **IT Products:** The IT Products segment sells a range of Wipro personal desktop computers, Wipro servers and Wipro notebooks. The Company is also a value added reseller of desktops, servers, notebooks, storage products, networking solutions and packaged software for leading international brands. In certain total outsourcing contracts of the IT Services segment, the Company delivers hardware, software products and other related deliverables. Revenue relating to these items is reported as revenue from the sale of IT Products.
- iii) **Consumer care and lighting:** The Consumer Care and Lighting segment manufactures, distributes and sells personal care products, baby care products, lighting products and hydrogenated cooking oils in the Indian and Asian markets.
- iv) **The Others** segment consists of business segments that do not meet the requirements individually for a reportable segment as defined in IFRS 8.
- v) Corporate activities such as treasury, legal and accounting, which do not qualify as operating segments under IFRS 8, and elimination of inter-segment transactions have been considered within reconciling items .

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- b) Revenues include excise duty of Rs. 1,054, Rs. 842 and Rs. 1,007 for the year ended March 31, 2009, 2010 and 2011, respectively. For the purpose of segment reporting, the segment revenues are net of excise duty. Excise duty is reported in reconciling items.
- c) For the purpose of segment reporting only, the Company has included the impact of foreign exchange gains / (losses), net in revenues (which is reported as a part of operating profit in the statement of income).
- d) For evaluating performance of the individual business segments, stock compensation expense is allocated on the basis of straight line amortization. The incremental impact of accelerated amortization of stock compensation expense over stock compensation expense allocated to the individual business segments is reported in reconciling items.
- e) For evaluating the performance of the individual business segments, amortization of intangibles acquired through business combinations are reported in reconciling items. Accordingly, comparative period information has been reclassified
- f) The Company generally offers multi-year payment terms in certain total outsourcing contracts. These payment terms primarily relate to IT hardware, software and certain transformation services in outsourcing contracts. Corporate treasury provides internal financing to the business units offering multi-year payments terms. Accordingly, such receivables are reflected in capital employed in reconciling items. As of March 31, 2009, 2010 and 2011, capital employed in reconciling items includes Rs. 5,549, Rs. 8,516 and Rs. 12,255, respectively, of such receivables on extended collection terms.
- g) Operating income of segments is after recognition of stock compensation expense arising from the grant of options:

Segments	Year ended March 31,		
	2009	2010	2011
IT Services	Rs. 1,523	Rs. 1,159	Rs. 1,214
IT Products	112	93	90
Consumer Care and Lighting	76	71	112
Others	21	18	31
Reconciling items	136	(39)	(355)
Total	Rs. 1,868	Rs. 1,302	Rs. 1,092

- h) Management believes that it is currently not practicable to provide disclosure of geographical location wise assets, since the meaningful segregation of the available information is onerous.

Table of Contents**Item 19. Exhibits**

Exhibit Number	Description
1.1	Certificate of Incorporation of Wipro Limited, as amended (1)
1.2	Memorandum and Articles of Association of Wipro Limited (10)
2.1	Form of Deposit Agreement (including as an exhibit, the form of American Depositary Receipt) (1)
2.2	Wipro s specimen certificate for equity shares (1)
4.1	1999 Employee Stock Option Plan (1999 plan) (1)
4.2	2000 Employee Stock Option Plan (2000 plan) (1)
4.3	Wipro Equity Reward Trust (1)
4.4	2000 ADS Option Plan (2000 ADS Plan) (3)
4.5	Wipro Employee ADS Restricted Stock Unit Plan 2004 (WARSUP 2004 plan) (4)
4.6	Wipro Employee Restricted Stock Unit Plan 2004 (WRSUP 2004 plan)(5)
4.7	Form of Indemnification Agreement, as amended (3)
4.8	Form of Agreement for Appointment/Re-appointment of Executive Directors (5)
4.9	Sample Letter of appointment to Non Executive Directors (5)
4.10	Wipro Employee Restricted Stock Unit Plan 2005 (WRSUP 2005 plan) (6)
4.11	Wipro Employee Restricted Stock Unit Plan 2007 (WRSUP 2007 Plan) (9)
4.12	Amendment No. 1 to 1999 plan, 2000 plan, 2000 ADS plan, WRSUP 2004 Plan, WARSUP 2004 Plan and WRSUP 2005 Plan (9)
4.13	Amendment No. 2 to 1999 plan, 2000 plan, WRSUP 2004 Plan and WRSUP 2005 Plan (9)
4.14	Amendment No. 3 to WRSUP 2004 Plan and WRSUP 2005 Plan (9)
4.15	Amendment No. 2 to WARSUP 2004 Plan (9)
4.16	Amendment No. 3 to 2000 Plan (9)
11.1	Code of Ethics for Principal and Finance Officers (2)
12.1	Certification of Chief Executive Officer under Section 302 of the Sarbanes Oxley Act
12.2	Certification of Chief Financial Officer under Section 302 of the Sarbanes Oxley Act
13.1	Certification of Chief Executive Officer and Chief Financial Officer under Section 906 of the Sarbanes Oxley Act
15.1	Consent of Independent Registered Public Accounting Firm
15.2	Wipro s Ombudsprocess (2)
15.3	Code of Business Conduct and Ethics (7)
15.4	Audit Committee Charter (8)
15.5	Board Governance and Compensation Committee Charter (6)

- (1) Incorporated by reference to Exhibits filed with the Registrant s Registration Statement on Form F-1 (File No. 333-46278) filed on September 21, 2010.
- (2) Incorporated by reference to Exhibits filed with the Registrant s Annual Report on Form 20-F filed on June 9, 2003.
- (3) Incorporated by reference to Exhibits filed with the Registrant s Annual Report on Form 20-F filed on May 17, 2004.
- (4) Incorporated by reference to Exhibits filed with the Registrant s Registration Statement on Form S-8 filed on February 28, 2005.
- (5)

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Incorporated by reference to Exhibits filed with the Registrant's Annual Report on Form 20-F filed on June 13, 2005.

- (6) Incorporated by reference to Exhibits filed with the Registrant's Annual Report on Form 20-F filed on June 22, 2006.
- (7) Incorporated by reference to Exhibits filed with the Registrant's Annual Report on Form 20-F filed on May 30, 2007.
- (8) Incorporated by reference to Exhibits filed with the Registrant's Annual Report on Form 20-F filed on June 13, 2005, as amended by Exhibit with the Registrant's Annual Report on Form 20-F filed on May 30, 2007.
- (9) Incorporated by reference to Exhibits filed with the Registrant's Annual Report on Form 20-F filed on May 30, 2008.
- (10) Incorporated by reference to Exhibits filed with the Registrant's Form 6-K filed on July 6, 2010.

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SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Annual Report on its behalf.

For Wipro Limited

Bangalore, India /s/ Azim H. Premji

/s/ Suresh C. Senapaty

Date: June 16, Azim H. Premji,
2011

Suresh C. Senapaty,

Chairman and Managing Director

Chief Financial Officer and Director

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