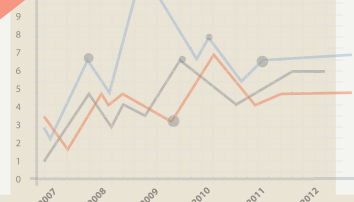
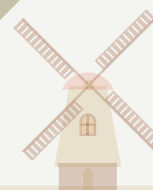


Annual Report  
2012-2013



# CUSTOMER FOCUS

## COLLABORATING FOR THE FUTURE



[www.wipro.com](http://www.wipro.com)



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Certain statements in this annual report concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in our earnings, revenue and profits, our ability to generate and manage growth, intense competition in IT services, our ability to maintain our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which we make strategic investments, withdrawal of fiscal governmental incentives, political instability, war, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property, and general economic conditions affecting our business and industry. Additional risks that could affect our future operating results are more fully described in our filings with the United States Securities and Exchange Commission. These filings are available at [www.sec.gov](http://www.sec.gov). We may, from time to time, make additional written and oral forward-looking statements, including statements contained in the company's filings with the Securities and Exchange Commission and our reports to shareholders. We do not undertake to update any forward-looking statement that may be made from time to time by us or on our behalf.





## WIPRO IN BRIEF





Wipro Limited (NYSE: WIT; NSE: WIPRO) is a global leader in providing IT Services, Outsourced R&D, Infrastructure Services, Business Process Services and Business Consulting.

With a track record of over 25 years, Wipro is the first to perfect a unique quality methodology, the Wipro Way – a combination of Six Sigma, Lean Manufacturing, Kaizen and CMM practices – to provide unmatched business value and predictability to our clients.

Our industry aligned customer facing business model gives us a deep understanding of our customers' needs to build domain specific solutions, while our 55+ dedicated emerging technologies 'Centres of Excellence' enables us to harness the latest technology for delivering superior business results to our clients. We have a workforce of over 140,000 serving over 950 clients, including a number of Fortune 500 and Global 500 corporations across 57 countries.

We began our business as a vegetable oil manufacturer in 1945 at Amalner, a small town in Western India and thereafter, expanded into the manufacture of soaps and other consumer care products. During the early 1980s, we entered the Indian IT industry by manufacturing and selling mini computers. We began selling personal computers in India in 1985. In the 1990s, we leveraged our hardware R&D design and software development expertise and began offering software services to global clients. We are one of the pioneers of the offshore development centre ("ODC") model that propelled the growth of the Indian IT Services business to a global scale.

Effective March 31, 2013, we demerged the Diversified Business to create an organization focused purely on Information Technology.

## VALUES

At the core of Wipro is the "Spirit of Wipro". They encapsulate the values, which are the guiding principles for our culture and behavior in Wipro. They bind us together and inspire us to achieve excellence in whatever we do.

### Spirit of Wipro identifies three core values

#### Intensity To Win

- Make customers successful
- Team, innovate, excel

#### Act With Sensitivity

- Respect for the individual
- Thoughtful and Responsible

#### Unyielding Integrity

- Delivering on commitments
- Honesty and fairness in action



# CUSTOMER AT THE CORE: HELPING CUSTOMERS

## "DO BUSINESS BETTER"

We have entered the era of 'Customer Experience'. Smart consumers aided by technology are forcing businesses to deliver on experience and create 'customer centric' products and services. In this information age, to stay relevant, businesses need to be agile, aware, omnipresent and flexible. At the same time, they must contain costs and improve inherent efficiencies in the system. This requires them to re-look at the way they do business; introspect and find new ways of doing business better.

While business models evolve with the customer at the core, there is also the need to meet the stakeholder expectations of growth and productivity. As they reconcile to the slow growth environment in the western markets, organizations are looking to identify newer opportunities. This is evident in their focus on emerging markets and efforts to differentiate in the existing markets through innovative products and services that cater to specific customer demands.

We believe that to succeed and be more customer centric, enterprises must embrace the benefits of technology to 'Differentiate at the Front' and 'Standardize at the core'. Over the last few quarters, Wipro has focused on building Intellectual Property solutions that can significantly help our customers achieve this.

Even as global businesses step up the search for new and innovative ways to enhance their competitiveness and get ahead of the growth curve, a new generation of advanced technologies - social, mobility, analytics and cloud - has taken the centre-stage, promising to transform enterprises and help them do business better. Enterprises that embrace these technologies would be able to seamlessly redesign their business models,

strategy, operations and processes to meet the new business demands. Wipro believes that businesses today are being led towards a confluence of these disruptive technologies, which are helping them understand and collaborate with their customers to deliver value to the end user. We therefore have invested significantly in these areas and are well equipped to partner with our clients to build future ready organizations.

Analytics is empowering businesses to understand, predict and proactively meet the needs of their customers. This has been corroborated by the findings of a recent Economist Intelligence Unit (EIU) survey commissioned by Wipro that revealed a strong correlation between earnings growth and strategic use of data. The next generation consumer, driven by experience, mobility and accessibility, is forcing organizations to adopt Cloud and build nimbler organizations responsive to these needs. According to a Wipro study, one in every two global CXOs felt that the Cloud is making businesses more competitive by improving their 'value proposition'. Cloud and Mobility together can enable businesses to collaborate with their customers to drive customer centric innovation.

These disruptions are making an impact in the boardroom. Technology is now moving away from the purview of the CIO and is increasingly finding new buyers in the CMO, CFO and CRO. These leaders, pushed by their consumers, employees and business requirements are taking initiatives and implementing the latest technology solutions.

At Wipro, clients are at the centre of all activities. This single minded focus on helping customers win has been a key driver for Wipro. Our vertically aligned business model gives us a deep understanding of our customers' businesses to build industry specific solutions, while the 55+ dedicated emerging technologies 'Centres of Excellence' enable us to harness the latest technology for delivering business capability to our clients.

Our idea of Wipro for tomorrow is to be the 'go-to-company' for Global enterprises. With the client at the core, we have re-designed our value proposition and capabilities to address their needs. We believe in co-creating our value proposition along with clients to bring in transformational change. This belief takes forward our stance 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.

We have applied the approach of creating a high degree of differentiation at the front and standardization at the core to be an organization that is future ready and is designed to win. It has been an enriching journey for us and the transformation is beginning to yield results. This year, we focused on consolidating our customer base via two approaches - mining existing accounts deeper and hunting for new accounts. This approach has paid rich dividends as our top 10 customers now contribute 21.8% to our revenues. Our customer satisfaction across accounts and employee satisfaction have shown strong gains. This year, we are also encouraged by the 7% YoY improvement in customer satisfaction scores in our strategic accounts. We now have 10 customer relationships crossing the \$100 million revenue mark.

Keeping in line with the macro and micro changes taking place, we have developed several business models to help achieve this. Among them is the 21st Century Virtual Corporation model, which comprises of technology innovation, lean optimization, process transformation, asset optimization and next generation partnering agreements to define a 'designed by purpose' operating model for clients.

Our future growth will be centred on helping clients 'do business better'. The focus will be on driving innovation, enabling newer revenue streams, variabilizing cost of IT for them and helping them become more sustainable.

## Differentiate at the front

In this competitive era, 'perceived customer value' determines revenue growth. Enterprises must differentiate at the front to establish this value for their customers. Bringing that key value proposition for a customer opens up new business opportunities and revenue sources for companies. This differentiation can be manifested in many ways such as creating enriching customer experiences, improved product features, availability to newer markets or addition of new products or services.



Differentiation enables companies to deliver exceptional experiences by leveraging technology. These can be manifested in many ways through analytics driven insights that help companies understand and anticipate customer needs, understand new geographies and new customer segments, create and deliver real time offers, improve product quality, or customize customer service. At the same time, they can make their messaging more relevant to customers by micro-segment targeting, which also results in spend optimization.

Organizations can also differentiate themselves by launching new products more suited to localized markets; they can bring in competitive advantage through faster launch of these products at lower costs and innovate by adapting low-cost products from emerging markets to suit developed markets.

We provide integrated consulting capabilities to our clients across industries that help them understand their customer better and provide differentiated offerings. We have also invested in IP solutions such as Wipro Digital - a platform that digitizes the 'market to order' process, Omni channel e-commerce, Dealer/Distributor management solution, etc. to help our clients deliver value to the end consumer.

Each industry is unique and can have multiple interpretations of this differentiation. For example, we are helping our Retail and Consumer Goods customers grow their top-line by more effective engagement of consumers across all channels. This includes helping retailers with their assortment strategy, preventing lost sales and enhancing effectiveness of their marketing/trade promotion exercises. For a large US Retailer, we added \$150 million to the top-line and over \$75 million in profits through reduction in Lost Sales and Enhanced Coupon Redemption Rate. Wipro created an analytics-based ecosystem for end-to-end transformation of processes.

Similarly, we are helping our Media and Telecom customers transform networks to capture converged voice, data and value-added services opportunities, launch

new products that are customized for a connected digital world and enhance customer experience to improve loyalty. For a global Telecom Equipment company, we delivered a next generation switching product with sales of over 20,000 units/year through robust design and build, coupled with emerging market customer insights.

We are also helping our Financial Services customers leverage digital channels and improve customer experience to achieve differentiation. For a leading North American Bank, we delivered a Digital Channel transformation that resulted in 33% increase in product sales in just five months.

Our client centric GTM (Go-to-market) structure, deep industry and technology focus and integrated consulting capability delivers exceptional customer value helping us differentiate at the front.

### Standardize at the core

For any organization to run successfully, it must have a standardized core of systems and processes. Standardization builds in competitive advantage through improved operational efficiencies and cost reductions. It also brings in the benefits of increased compliance, streamlines knowledge sharing and reduces efforts on non-core activities. A well run customer centric business is in turn able to pass on the benefits of standardization to its customers in terms of lower costs, faster product or service delivery, better customer service and reduction in errors or defects.

Standardization enables companies to focus on the core and outsource non-core activities creating a seamless delivery experience across channels and markets. Streamlining process flows by creating shared service models and reusable assets and frameworks, reduces internal dependencies and improves organizational and role based efficiencies. Companies can also adopt a plug and play Cloud model for significant cost savings on infrastructure. Cloud based models are also easy to replicate in various geographies improving time to market. It is also easier to generate MIS and compliance reports from seamlessly integrated processes and systems.



Our standardized process assets and technology accelerators help our clients across industries to improve their systems and do business better. We have also built tool based applications management platforms that integrate delivery across application and infrastructure layers. Helix and Fixomatic are some examples of IP that we have built on the infrastructure side of the business to eliminate human intervention, thereby increasing productivity.

Every industry can have different approaches to standardization. For example, we work with our Financial Services customers to reduce and variabilize costs, pare the cost of implementing regulatory compliance initiatives and simplify middle and back office operations. For a large bank, we delivered process simplification and standardization in a record time of 18 months.

Similarly, we are helping our Healthcare and Life Sciences customers by enabling cost-effective compliance in an increasingly challenging global regulatory environment. For a Global Medical Devices manufacturer, we delivered five times the cost savings for physicians and 50% cost reduction for patients through a simple and efficient mobile remote patient monitoring system.

We are helping Energy, Natural Resources & Utilities customers digitize and automate operations, create collaborative work environments and reduce cost of exploration and extraction. We are addressing the need for sustainable practices and developing compliance solutions in the areas of health, safety and security. For a large UK based utility company, we helped reduce the infrastructure and application management costs by 32% through application and infrastructure managed services.

We are also helping our Manufacturing and Hi-Tech customers develop efficient order-to-cash processes, build asset-light organizations and eliminate inefficiencies in their manufacturing execution systems. For a global manufacturer, we created better contract visibility and compliance resulting in a 2% reduction in procurement spend on a total budget of \$50 billion.

Application of automation, non-linear models and process assets is helping us standardize our core to provide better business solutions to our clients that are cost effective and deployed on time.



# FINANCIAL HIGHLIGHTS

FINANCIAL PERFORMANCE (FOR CONTINUING OPERATIONS)	FY 2013	FY 2012	FY 2011
Revenue (₹Mn)	376,882	318,747	271,437
Profit before Depreciation , Amortisation , Interest and Tax (₹Mn)	79,885	69,131	61,768
PBIT (₹Mn)	69,972	59,912	54,441
Depreciation, Amortisation (₹Mn)	9,913	9,219	7,327
Effective Tax Rate	21.5%	19.8%	15.0%
Tax (₹Mn)	16,912	12,955	8,878
PBT (₹Mn)	78,596	65,523	59,148
PAT - Profit for the period attributable to Equity holders (₹Mn)	61,362	52,325	49,938
PER SHARE DATA (FOR CONTINUING OPERATIONS)			
EPS - Basic (₹)	25.01	21.36	20.49
EPS - Diluted (₹)	24.95	21.29	20.36
Book Value* (₹)	116	116	99
Dividend Per Share (₹)	7	6	6
FINANCIAL POSITION (₹Mn)*			
Share Capital	4,926	4,917	4,908
Networth	284,983	286,163	240,371
Total Debt	63,816	58,958	52,802
Property, Plant and Equipment incl. Intangibles Assets	52,239	63,217	58,645
PPE	50,525	58,988	55,094
Intangible Assets	1,714	4,229	3,551
Cash and Investments	163,469	128,037	114,663
Goodwill	54,756	67,937	54,818
Net Current Assets	162,663	155,803	131,696
Capital Employed	348,799	345,121	293,173
SHAREHOLDING RELATED			
Number of Shareholders	213,603	227,158	220,238
Market Price of Shares (₹) Adjusted for Bonus**	437.2	440.1	480.2
Dividend Distribution Ratio (%)	33%	30%	32%

Note : All figures above are based on IFRS Consolidated Financial Statements

Book Value per share has been computed using weighted number of equity shares used for computing diluted earnings per share

\* Effective March 31, 2013, the Group completed the demerger of its consumer care and lighting, infrastructure engineering and other non-IT business segments (collectively, "the Diversified Business"). Consequent to the demerger, the financial position as at March 31, 2013 does not include the balances of the Diversified Business and are therefore strictly not comparable with the financial position of the previous years.

\*\* Market price of shares is based on closing price in NSE as on March 31