



 **#BeTheNew**

Annual Report
2016 - 17

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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. 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.

Overview of the report

The 2015-16 Annual Report was our maiden attempt at aligning our Management Discussion & Analysis to the principles of International Integrated Reporting Framework (referred to as <IR> framework) developed by the International Integrated Reporting Council (IIRC). For 2016-17 Annual Report, we continue to use the same reporting framework.

The report complies with financial and statutory data requirements of the Companies Act, 2013 (including the Rules made thereunder and Accounting Standards), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards.

The topics covered in the Management Discussion and Analysis section of the report were identified through a materiality determination exercise and is applicable for the period April 1, 2016 to March 31, 2017. The methodology followed is detailed in our Sustainability Report that can be accessed at <http://wiprosustainabilityreport.com/15-16/?q=materiality-determination>.

Identifying and understanding stakeholders, their priorities and engaging with them is key to materiality determination. At Wipro, stakeholder engagement is an ongoing process and the details are summarized in our Sustainability report. Refer to <http://wiprosustainabilityreport.com/15-16/?q=wipro-and-its-stakeholders>

Integrated approach

An Integrated Report incorporates financial and non-financial information – governance, environmental and social - in a manner that can help stakeholders understand how a company creates and sustains value over the long-term.

This report provides a consolidated perspective of economic, social and environmental aspects material to our strategy and our ability to create and sustain value for our key stakeholders. The resources and relationships used and affected by an organization collectively referred to as “the capitals” - financial, manufactured, intellectual, human, social & relationships and natural capitals form the essence of the MD&A*.

**Manufactured capital is not covered separately in this report since it not material to IT services business*

About Wipro



Wipro Limited (NYSE: WIT, BSE: 507685, NSE: WIPRO) is a leading global information technology, consulting and business process services company. We harness the power of cognitive computing, hyper-automation, robotics, cloud, analytics and emerging technologies to help our clients adapt to the digital world and make them successful. A company recognized globally for its comprehensive portfolio of services, strong commitment to sustainability and good corporate citizenship, we have over 160,000 dedicated employees serving clients across six continents. Together, we discover ideas and connect the dots to build a better and bold new future.

We began our business as a vegetable oil manufacturer in 1945 at Amalner, a small town in Western India and thereafter, forayed into soaps and other consumer care products. During the early 1980s, we entered the Indian IT industry by manufacturing and selling mini computers. In the 1990s, we leveraged our hardware R&D design and software development expertise and began offering software services to global clients. In 2013, we demerged the non-IT Diversified Businesses. With a track record of over 25 years in IT Services, we are, today, focused entirely on the global Information Technology business. Wipro is listed on National Stock Exchange and Bombay Stock Exchange in India and New York Stock Exchange in the US.

For more information, please visit www.wipro.com

Values

The Spirit of Wipro is the core of Wipro. These are our Values. It is about who we are. It is our character. It is reflected consistently in all our behavior. The Spirit is deeply rooted in the unchanging essence of Wipro. It also embraces what we must aspire to be. It is the indivisible synthesis of the four values. The Spirit is a beacon. It is what gives us direction and a clear sense of purpose. It energizes us and is the touchstone for all that we do. We recently rearticulated the Spirit of Wipro.

Spirit of Wipro

Be passionate about clients' success

Be passionate about clients' success. We succeed when we make our clients successful. We collaborate to sharpen our insights and amplify this success. We execute with excellence. Always.

Treat each person with respect

We treat every human being with respect. We nurture an open environment where people are encouraged to learn, share and grow. We embrace diversity of thought, of cultures, and of people.

Be global and responsible

We will be global in our thinking and our actions. We are responsible citizens of the world. We are energized by the deep connectedness between people, ideas, communities and the environment.

Unyielding integrity in everything we do

Integrity is our core and is the basis of everything. It is about following the law, but it's more. It is about delivering on our commitments. It is about honesty and fairness in action. It is about being ethical beyond any doubt, in the toughest of circumstances.

Defining new

What does it mean to be new?

Scripting a strategy for any industry without casting technology in the lead role is unthinkable today. With decades of experience in creating and running technology infrastructure in dozens of industries in thousands of engagements, it is only natural that our clients look to us to translate their strategic ideas to reality.

Wipro has been working with clients across industries to make their strategies real. As our clients set the course and navigate change, they take on new challenges from redesigning customer experience, inventing new business models and creating entirely new revenue streams— Wipro's insights and ability to deliver have been invaluable assets to them to solve complex problems, on enterprise scale.

On one hand, we have connected thousands of on-road vehicles via the cloud to complex analytics and streamline maintenance activities, and on the other, we have helped design neo-natal care equipment to improve life chances of premature babies. We have helped industrial clients connect their factory floors and field equipment to provide entirely new services to customers and optimize inventories.

Our success in playing the role of an agile and knowledgeable partner is due to the deep knowledge of the industries we operate in and our expertise across the technology stack. What sets Wipro apart is its ability to formulate an integrated perspective across markets and technologies and deliver with relentless focus on excellence.

How did we get here?

We set our goal to transform into a future-focused company that harnesses the power of digital and Artificial Intelligence (AI) to serve our clients as only Wipro can – by being passionate about our clients' success. We then looked at what sort of future talent and capabilities we needed, what tools we required to transform, and what sort of market access was necessary to grow – bearing in mind that we had to work quickly to deliver this change.

Transforming for the future

We have laid out a clear bimodal strategic theme last year: to help our clients Drive the Future (Change Strategy) of their businesses and to Modernize the Core of our clients' businesses (Run Strategy).

In order to do this, we identified clear client service tracks for the organization to focus on, based on client feedback. Over the course of the last year, we emphasized digital services, scaling up and consolidating our consulting capabilities, strengthening innovation through Intellectual Property (IP) and IP-led offerings and our portfolio of integrated services, nurturing our alliances and making strategic investments in our partner ecosystem, and by creating more localized teams.





For instance, on the digital front, Wipro Digital, while only three years old, continues to impress industry analysts and clients, and in Q4 FY 17 it constituted 22.1 percent of our revenues. Wipro's end-to-end value-chain means Wipro can 'connect-the-dots' across the needs of our clients' customers, our clients' strategy, digital design and technology capability and deliver business value to our clients.

We have also consolidated and scaled up our Consulting arm at Wipro. Wipro's Consulting arm provides deep domain expertise along with world-class business strategy and governance experience to help our clients at every step of their transformation journey, from designing the solution to delivering and measuring results.

On the IP front, we have invested in products, platforms, frameworks and solutions centered around Wipro HOLMES Artificial Intelligence Platform™ (HOLMES). In the last fiscal, the number of patents we held (and applied for) increased by over 50 percent. Innovation is critical to our work, but equally important is simplification: deploying HOLMES' capabilities to drastically change and simplify the IT delivery model.

In offering our clients a superior delivery experience, our Integrated Services focus has a mandate to provide end-to-end integrated technology solutions.

In the last 18 months we have invested over USD 1 billion dollars in acquisitions. We have invested in innovative business models like BPaaS (Business Process as a Service), which integrates across IT Infrastructure, Application Platforms and Business Operations, and gives our clients flexibility and value through consumption-based pricing. We made a strategic acquisition of Appirio, the leader in cloud applications, to bolster our Cloud application services, and it has led to a number of new joint client engagements.

Our venture capital arm, Wipro Ventures, has made four new startup investments in fiscal 2017 to bring our clients new technologies that are reshaping the future of enterprises, especially in Cybersecurity, Customer Care Automation, Business Process Automation and Big Data Lifecycle Management. Investments in new technologies are also being nurtured within Wipro through the Horizon program, to incubate thinking in Artificial Intelligence (AI), Cybersecurity, Digital, Industry 4.0, Internet of Things (IoT), and Software Defined Everything (SDx).

All these initiatives were implemented to underscore our ambition to transform our services for a new world. Critical to this was ensuring that even with our directional change towards new digital technologies and service models, we remained committed to core service excellence. This meant enhancing our service presence in all our key markets by setting up local delivery centers engaging the local community – in hiring and in sustainability initiatives.

Our New Brand

Once the transformation was underway, we began to take feedback from our clients to understand if we were living out the promise of Wipro's brand in the work we do. We discovered that our clients count on us to help them run and transform their businesses. They appreciate our ability to connect the dots for them by bringing together deep technology and domain expertise, and applying insights from across industries. They value our integrated, end-to-end capabilities and services with a "one team" approach, and want to see more of this. Most importantly, they like the fact that we keep our client's and their customers' at the heart of our work.



In light of all these new initiatives and the prospect of end-to-end transformation, we felt strongly that change must not be limited to inside out, but also from the outside in. This means that our brand promise and our transformation journey – lived out by our people and our work – must also be seen by the broader world in a new light. We present our new logo on the cover of this Report. The new logo is not just a logo, but a testament to the way we are evolving our values and our brand promise.

Wipro's brand promises to bring a pioneering, entrepreneurial, innovative spirit to solve our clients' complex business problems. We believe that the energy we gain from building the deep connectedness between people, ideas, communities and the environment should drive us to keep transforming and to help our clients.

This connectedness is the driving force behind Wipro's new brand logo, and we are delighted to present it to you in this Annual Report. The new Wipro logo is a bold and dynamic signature that proudly headlines the vision we pursue for our company and all those we serve. We believe it embodies a sense of fluidity, resourcefulness, optimism and creativity in our work approach. The simplicity of the brand signals vibrancy, connectedness, awareness and an outwardly moving focus. It builds on the universal shape of the circle, with radiating dots around Wipro's name that suggest the many connections we create for our clients to help them expand their possibilities. Together, with our name, the new logo conveys a sense of outward motion, propelling us into a future that we define with our clients.

Revisiting the Spirit of Wipro

Our new brand helps us drive closer relationship with our clients. It is an apt visual expression of why we exist, which is to amplify our client's success. More importantly, it marks a behavioral and cultural shift in our employees who are the bedrock of Wipro and embody the Spirit of Wipro.

Our organization – and our people – are now truly global in the places we live and the ways in which we think and collaborate. It was important to us that the new brand identity reflect a re articulated Spirit of Wipro in this diverse but deeply connected, digital world.

The re articulated Spirit of Wipro resonates with our new identity. It is the indivisible synthesis of four values:

- Be passionate about clients' success
- Treat each person with respect
- Be global and responsible
- Unyielding integrity in everything we do

Our values are deep rooted in who we are which reflects in our character. At Wipro, we believe that these four values must manifest in our behavior and our interactions with colleagues and clients. The Spirit of Wipro is our own lighthouse: to give us a clear sense of purpose and be a touchstone for all that we do.

With our transformed organization, our new brand identity and the re articulated Spirit of Wipro, we aim to become the energy source that powers our clients' success, and as a result, Wipro's success.

We offer an invitation to you to join us in a future that's better and bolder – and even more beautiful – than what has ever been imagined.

Key performance highlights

Financial capital



| Financial performance | (Figures in ₹ Million except otherwise stated) | 2012-13 | 2013-14 | 2014-15 | 2015-16 [#] | 2016-17 |
|--|--|---------|---------|---------|----------------------|---------|
| Revenue [@] | | 376,882 | 437,628 | 473,182 | 516,307 | 554,179 |
| Profit before Depreciation, Amortisation, Interest and Tax | | 79,885 | 100,460 | 108,246 | 111,825 | 116,986 |
| Depreciation and Amortisation | | 9,913 | 11,106 | 12,823 | 14,965 | 23,107 |
| Profit before Interest and Tax | | 69,972 | 89,354 | 95,423 | 96,860 | 93,879 |
| Profit before Tax | | 78,596 | 101,005 | 111,683 | 114,933 | 110,356 |
| Tax | | 16,912 | 22,600 | 24,624 | 25,366 | 25,213 |
| Profit after Tax - attributable to equity holders | | 61,362 | 77,967 | 86,528 | 89,075 | 84,895 |
| Per share data (Figures in ₹) | | | | | | |
| Earnings Per Share- Basic (₹) ^{##} | | 25.01 | 31.76 | 35.25 | 36.26 | 34.96 |
| Earnings Per Share- Diluted (₹) ^{##} | | 24.95 | 31.66 | 35.13 | 36.18 | 34.85 |
| Financial position (Figures in ₹ Million) | | | | | | |
| Share Capital | | 4,926 | 4,932 | 4,937 | 4,941 | 4,861 |
| Net Worth | | 284,983 | 344,886 | 409,628 | 467,384 | 522,695 |
| Gross cash (A) | | 163,469 | 187,258 | 251,048 | 303,293 | 344,740 |
| Total Debt (B) | | 63,816 | 51,592 | 78,913 | 125,221 | 142,412 |
| Net Cash (A-B) | | 99,653 | 135,666 | 172,135 | 178,072 | 202,328 |
| Property, Plant and Equipment (C) | | 50,525 | 51,449 | 54,206 | 64,952 | 69,794 |
| Intangible Assets (D) | | 1,714 | 1,936 | 7,931 | 15,841 | 15,922 |
| Property, Plant and Equipment and Intangible Assets (C+D) | | 52,239 | 53,385 | 62,137 | 80,793 | 85,716 |
| Goodwill | | 54,756 | 63,422 | 68,078 | 101,991 | 125,796 |
| Net Current Assets | | 162,663 | 218,534 | 272,463 | 284,264 | 309,355 |
| Capital Employed | | 348,799 | 396,478 | 488,538 | 592,605 | 665,107 |
| Shareholding related | | | | | | |
| Number of Shareholders [*] | | 213,603 | 210,471 | 213,588 | 227,369 | 241,154 |
| Market Price Per Share (₹) ^{**} | | 437.15 | 543.20 | 628.85 | 564.25 | 515.70 |

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

* Number of share holders represents holders of equity shares (does not include holders of ADRs)

** Market price of shares is based on closing price in NSE as on March 31 of respective years and not adjusted for Demerger in 2013

@ Revenue is aggregate revenue for the purpose of segment reporting including the impact of exchange rate fluctuations

We elected to early- adopt IFRS 9, Financial Instruments effective April 1, 2016 with retrospective application from April 2015. Comparative financials reflect correspondingly.

Not adjusted for the proposed bonus issue.