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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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**FORM 20-F**

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(Mark One)

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

OR

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

For the fiscal year ended March 31, 2022

OR

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

OR

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

Date of event requiring this shell company report \_\_\_\_\_

Commission File Number 001-16139

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**WIPRO LIMITED**

(Exact name of Registrant as specified in its charter)

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**Not Applicable**

(Translation of Registrant's name into English)

**Bengaluru, Karnataka, India**

(Jurisdiction of incorporation or organization)

**Doddakannelli**

**Sarjapur Road**

**Bengaluru, Karnataka 560035, India**

**+91-80-2844-0011**

(Address of principal executive offices)

**Jatin Pravinchandra Dalal, Chief Financial Officer**

**Phone: +91-80-2844-0011; Fax: +91-80-2844-0054; Email: jatin.dalal@wipro.com**

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

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

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

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

**None**  
(Title of Class)

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

**Not Applicable**  
(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 5,482,070,115 **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, a non-accelerated filer or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Emerging growth company	<input type="checkbox"/>

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards<sup>†</sup> provided pursuant to Section 13(a) of the Exchange Act. ☐

<sup>†</sup> The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

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

U.S. GAAP <input type="checkbox"/>	International Financial Reporting Standards as issued by the International Accounting Standards Board <input checked="" type="checkbox"/>	Other <input type="checkbox"/>
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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 ☒

<b>Auditor ID:</b>	<b>Auditor Name:</b>	<b>Auditor Location:</b>
01180	Deloitte Haskins & Sells LLP	Bengaluru, Karnataka, India

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## Currency of Presentation and Certain Defined Terms

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

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

Except as otherwise stated in this Annual Report, all convenience translations from Indian rupees to U.S. dollars are based on the certified foreign exchange rates published by Federal Reserve Board of Governors on March 31, 2022, which was ₹75.87 per \$1. No representation is made that the Indian rupee amounts have been, could have been or could be converted into United States dollars at such a rate or any other rate. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding. Information contained in our website, [www.wipro.com](http://www.wipro.com), is not part of this Annual Report.

## Forward-Looking Statements May Prove Inaccurate

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

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

- our strategy to finance our operations, including our planned construction and expansion;
- future marketing efforts, advertising campaigns, and promotional efforts;
- future growth and market share projections, including projections regarding developments in technology and the effect of growth on our management and other resources;
- our expectations of the potential impact of the ongoing Coronavirus Disease 2019 (“**COVID-19**”) pandemic and related public health measures on our business, the businesses of our customers, vendors and partners, and the economy;

- the effect of facility expansion on our fixed costs;
- our future expansion plans;
- our future acquisition strategy, including plans to acquire or make investments in complementary businesses, technologies, services or products, or enter into strategic partnerships with parties who can provide access to those assets;
- the future impact of our acquisitions;
- our strategy and intentions regarding new product branding;
- the future competitive landscape and the effects of different pricing strategies;
- the effect of current tax laws, including the branch profit tax;
- the effect of future tax laws on our business;
- the outcome of any legal proceeding, hearing, or dispute (including tax hearings) and the resulting effects on our business;
- our ability to implement and maintain effective internal control over financial reporting;
- 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 or other corporate actions such as a buyback, bonus issue, etc.;
- projections that our cash and cash equivalent along with cash generated from operations will be sufficient to meet our working capital requirements and certain of our obligations;
- our compensation strategy;
- projections regarding currency transactions, including the effect of exchange rates on the Indian rupee and the U.S. dollar;
- the nature of our revenue streams, including the portion of our IT Services revenue generated from a limited number of corporate clients;
- the effect of a strategically located network of software development centers, and whether it will provide us with cost advantages;
- our ability to anticipate and develop new services and enhance existing services in order to keep pace with rapid changes in technology;
- projections regarding future economic policy, legislation, foreign investment, currency exchange and other policy matters that may affect our business;
- the nature and flexibility of our business model;
- expectations as to our future revenue, margins, expenses and capital requirements; and
- our exposure to market risks.

We wish to ensure that all forward-looking statements are accompanied by meaningful cautionary statements, so as to ensure to the fullest extent possible the protections of the safe harbor established in the Private Securities Litigation Reform Act of 1995. Accordingly, all forward looking statements are qualified in their entirety by reference to, and are accompanied by, the discussion of certain important factors that could cause actual results to differ materially from those projected in such forward-looking statements in this report, including the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” We caution the reader that this list of important factors may not be exhaustive. We operate in rapidly changing businesses, and new risk factors emerge from time to time. We cannot predict every risk factor, nor can we assess the impact, if any, of all such risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those projected in any forward-looking statements.

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

## TABLE OF CONTENTS

	<u>Page</u>
<u>PART I</u>	5
Item 1. <a href="#"><u>Identity of Directors, Senior Management and Advisers</u></a>	5
Item 2. <a href="#"><u>Offer Statistics and Expected Timetable</u></a>	5
Item 3. <a href="#"><u>Key Information</u></a>	5
Item 4. <a href="#"><u>Information on the Company</u></a>	32
Item 4A. <a href="#"><u>Unresolved Staff Comments</u></a>	45
Item 5. <a href="#"><u>Operating and Financial Review and Prospects</u></a>	46
Item 6. <a href="#"><u>Directors, Senior Management and Employees</u></a>	64
Item 7. <a href="#"><u>Major Shareholders and Related Party Transactions</u></a>	73
Item 8. <a href="#"><u>Financial Information</u></a>	74
Item 9. <a href="#"><u>The Offer and Listing</u></a>	75
Item 10. <a href="#"><u>Additional Information</u></a>	77
Item 11. <a href="#"><u>Quantitative and Qualitative Disclosures About Market Risk</u></a>	98
Item 12. <a href="#"><u>Description of Securities Other Than Equity Securities</u></a>	100
<u>PART II</u>	101
Item 13. <a href="#"><u>Defaults, Dividend Arrearages and Delinquencies</u></a>	101
Item 14. <a href="#"><u>Material Modifications to the Rights of Security Holders and Use of Proceeds</u></a>	101
Item 15. <a href="#"><u>Controls and Procedures</u></a>	102
Item 16A. <a href="#"><u>Audit Committee Financial Expert</u></a>	105
Item 16B. <a href="#"><u>Code of Ethics</u></a>	105
Item 16C. <a href="#"><u>Principal Accountant Fees and Services</u></a>	105
Item 16D. <a href="#"><u>Exemptions from the Listing Standards for Audit Committees</u></a>	106
Item 16E. <a href="#"><u>Purchase of Equity Securities by the Issuer and Affiliated Purchasers</u></a>	106
Item 16F. <a href="#"><u>Changes in Registrant's Certifying Accountant</u></a>	106
Item 16G. <a href="#"><u>Corporate Governance</u></a>	106
Item 16H. <a href="#"><u>Mine Safety Disclosure</u></a>	107
Item 16I. <a href="#"><u>Disclosure Regarding Foreign Jurisdictions that Prevent Inspections</u></a>	107
<u>PART III</u>	107
Item 17. <a href="#"><u>Financial Statements</u></a>	107
Item 18. <a href="#"><u>Financial Statements</u></a>	108
Item 19. <a href="#"><u>Exhibits</u></a>	177

## PART I

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

Not applicable.

### Item 2. Offer Statistics and Expected Timetable

Not applicable.

### Item 3. Key Information

#### Capitalization and Indebtedness

Not applicable.

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

Not applicable.

## 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.

### Summary.

The following summary provides an overview of the material risks we are exposed to in the normal course of our business activities. The summary does not purport to be complete and is qualified in its entirety by reference to the full risk factors discussion immediately following this summary. We encourage you to read the full risk factors carefully.

- Our revenues and expenses are difficult to predict because they can fluctuate significantly given the nature of the markets in which we operate.
- Our revenue depends to a large extent on a limited number of clients, and our revenue could decline if we lose a major client.
- Our revenue and operating results may be affected by the rate of growth in the use of technology in business and the type and level of technology spending by our clients.
- If our clients are unable to pay our dues and receivables, our results of operations and cash flows could be adversely affected.
- Our revenues are highly dependent on clients primarily located in the Americas (including the United States) and Europe, as well as on clients concentrated in certain industries; therefore, an economic slowdown or factors that affect the economic health of the United States, Europe or these industries would adversely affect our business.
- Restrictive changes to immigration laws may hamper our growth and cause our revenue to decline.
- We may be subject to litigation and be required to pay damages for deficient services or for violating intellectual property rights, data breach or breach of confidentiality.
- Some of our long-term client contracts contain benchmarking and most favored customer provisions which, if triggered, could result in lower contractual revenues and profitability in the future.
- Our work with government clients exposes us to additional risks inherent in the government contracting environment.
- Many of our client contracts can be terminated without cause, with little or no notice and without termination charges, which could negatively impact our revenue and profitability.
- Cyber-attacks and other security incidents, both real and perceived, impacting the confidentiality and integrity of our information technology and digital infrastructure could lead to loss of reputation and financial obligations.
- Adverse changes to our relationships with key alliance partners could adversely affect our revenues and results of operations.



- 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.
- We are making substantial investments in new facilities and physical infrastructures, and our profitability could be reduced if our business does not grow proportionately.
- We may invest in companies for strategic reasons that may not be successful or meet our expectations.
- We may engage in future acquisitions that may not be successful or meet our expectations.
- If our pricing structures do not accurately anticipate the cost, complexity and duration of our work, then our contracts could be unprofitable.
- Wage increases in India or our inability to hire in low cost locations may diminish our competitive advantage against companies located in the United States and Europe and may reduce our profit margins.
- We may incur substantial costs for environmental regulatory compliance and other social and governance initiatives.
- Our profitability could suffer if we are unable to continue to successfully manage our costs.
- Our success depends in large part upon the strength of our management team and other highly skilled professionals. If we fail to attract, retain and manage transition of these personnel, our business may be unable to grow and our revenue could decline.

## **Risks Related to Our Company and Our Industry**

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

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

- the size, complexity, timing, pricing terms and profitability of significant projects, as well as changes in the corporate decision-making process of our clients;
- increased pricing pressure from our competitors;
- our ability to increase sales of our services to new customers and expand sales to our existing customers;
- industry consolidation leading to stronger competitors that are able to compete better;
- competitors being more established in certain markets, making our geographic expansion strategy in those markets more challenging;
- 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 customers of servers, communication devices and other products;
- our expectations regarding the potential and continuing impacts on our business of the COVID-19 pandemic;
- unanticipated cancellations, contract terminations or deferral of projects or those occurring as a result of our clients reorganizing their operations;
- our ability to accurately forecast our client’s demand patterns to ensure the availability of trained employees to satisfy such demand;
- the effect of increased wage pressure in India and other locations and the time we require to train and productively utilize our new employees;
- our ability to generate historical levels of yield on our investments; and
- our ability to identify and acquire new businesses.

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

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

- the duration of tax holidays or exemptions and the availability of other Indian Government incentives;
- currency exchange fluctuations, specifically movement of the Indian Rupee against the U.S. Dollar, the Pound Sterling, the Euro, the Canadian Dollar and the Australian Dollar, as significant portion of our revenues are in these currencies;
- political uncertainties, changes in regulations, or other economic factors, including the economic conditions, in India, the United States, the United Kingdom, the European Union, Middle East and other geographies in which we operate;

- uncertain or changing economic conditions particular to a business segment or to particular customer markets within that segment; and
- increase in cost of operations in countries that we operate in on account of changes in minimum wage regulations.

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

#### Risks Related to the Markets in which We and Our Clients Operate

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

We currently derive, and believe that we will continue to derive, a significant portion of our revenue from a limited number of corporate clients. The loss of a major client or a significant reduction in the service performed for a major client could result in a reduction of our revenue. Significant pricing or margin pressure exerted by our largest clients would also adversely affect our operating results. Our largest client accounted for 3.2%, 3.1% and 3.2% of our IT Services revenue for the years ended March 31, 2020, 2021 and 2022, respectively. Our ten largest IT Services clients accounted for approximately 19.7%, 19.5% and 20.0% of our IT Services revenues for the years ended March 31, 2020, 2021 and 2022, respectively. For the year ended March 31, 2022, we had one customer that accounted for 12.0% of our overall IT Products segment revenue, while our largest India State Run Enterprise (“ISRE”) customer accounted for 17.7% of our overall ISRE segment revenue. The volume of work we perform for specific clients may vary from year to year, particularly since we typically are not the exclusive external technology service provider for these clients. Thus, any major client during one year may not provide the same level of revenue in a subsequent year.

There are a number of factors other than our performance that could cause the loss of a client, such as reduction in our clients’ IT budgets due to macroeconomic factors or otherwise, shifts in corporate priorities and political or economic factors, including bankruptcy and/or liquidation of our large clients. These factors may not be predictable or under our control. We cannot assure you that our large clients will not terminate their arrangements with us or significantly change, reduce or delay the amount of services ordered from us, any of which would reduce our revenue.

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

Concurrent use by many clients of multiple professional service providers means that we are required to be continually competitive with regard to the quality, scope and pricing of our offerings or face a reduction or elimination of our revenue from such clients.

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

Our business depends, in part, upon continued reliance on the use of technology in business by our clients and prospective clients as well as their customers and suppliers. We have invested, and will continue to invest, in research and development and in initiatives to expand our capabilities or offerings around new technologies. The effort and initiatives may not be successful or could yield sub-optimal results, which would negatively impact our revenues and profitability. In particular, the success of our new service offerings requires continued demand for such services and our ability to meet this demand in a cost-effective manner. In challenging economic environments, prospective clients may reduce or defer their spending on new technologies in order to focus on other priorities or may decide not to engage our services. Also, many companies have already invested substantial resources in their current means of conducting commerce and exchanging information, and they may be reluctant or slow to adopt new approaches that could disrupt existing personnel, processes and infrastructures. If the growth of technology usage in business, or our clients’ spending on such technology, declines, or if we cannot convince our clients or potential clients to embrace new technological solutions, our revenue and operating results could be adversely affected. Additionally, our clients’ business departments are increasingly making or influencing technology-related buying decisions. If we are unable to establish business relationships with these new buying centers, or if we are unable to articulate the value of our technology services to these business functions, our revenues may be adversely impacted.

***If our clients are unable to pay our dues and receivables, our results of operations and cash flows could be adversely affected.***

Our business depends on our ability to successfully obtain payments from our clients of the amounts they owe us for work performed. We evaluate the financial condition of our clients and usually bill and collect on relatively short cycles. We maintain provisions against receivables and unbilled services. Actual losses on client balances could differ from those that we currently anticipate and as a result we might need to adjust our provisions. There is no guarantee that we will accurately assess the creditworthiness of our clients. Macroeconomic conditions, such as a potential credit crisis in the global financial system or those arising from COVID-19, could also result in financial difficulties for our clients, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause clients to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Additionally, if we are unable to meet our contractual obligations, we might experience delays in the collection of or be unable to collect our client balances, which may adversely affect our results from operations and cash flows.

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

We derive approximately 58.5% of our IT Services segment revenue from the Americas (including the United States) and 29.9% of our IT Services segment revenue from Europe. Our business and financial performance is and will continue to be affected by economic conditions globally. Increased protectionism may result in weaker global trade and economic activity, which could adversely affect our business. We are also exposed to the economic, market and fiscal conditions in the United Kingdom (the “U.K.”) and the European Union (the “EU”). If the economy in the Americas or Europe is volatile or uncertain or conditions in the global financial market deteriorate, pricing for our services may become less attractive and our clients located in these geographies may reduce or postpone their technology spending significantly. For example, geopolitical conflict between Russia and Ukraine and the resulting international political crisis could have significant negative macroeconomic consequences, such as rise in inflation or slow-down in GDP growth rates, including on the businesses of our customers and partners and negatively impact their spending on IT services. Reduction in spending on IT services may lower the demand for our services and negatively affect our revenues and profitability.

Our clients are concentrated in certain key industries or sectors. Any significant decrease in the growth of any one of these industries, or widespread changes in any such industry, may reduce or alter the demand for our services and adversely affect our revenue and profitability. For instance, fluctuations in global crude oil prices have significantly impacted the companies operating in the energy industry, impacting revenue and profitability of our Energy and Utilities industry sector. Furthermore, some of the industries in which our clients are concentrated, such as the financial services industry, health care industry or the energy and utilities industry, are, or may be, increasingly subject to governmental regulation, sanctions and intervention. For instance, clients in the financial services sector have been subject to increased regulations following the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act in the United States. Similarly, clients in the health care industry are subject to additional federal, state and foreign laws and regulations, such as the Affordable Care Act (the “ACA”) and the Health Care and Education Reconciliation Act of 2010. Increased regulation, changes in existing regulation or increased governmental intervention in the industries in which our clients operate may adversely affect the growth of their respective businesses and therefore negatively impact our revenues.

***Our international operations subject us to risks inherent in doing business on an international level, including geopolitical volatilities, which could harm our operating results.***

The majority of our software development facilities are in India. Currently, we also have facilities in several countries around the world. As we continue to increase our presence outside India, we are subject to additional risks, including risks related to complying with a wide variety of national and local laws, localization requirements, restrictions on the import and export of certain technologies, data privacy and protection regulations, currency fluctuations, economic and political volatility, pending elections, changes in trade and foreign exchange policies, restrictions on repatriation of funds to India and multiple and possibly overlapping tax structures.

Our current international operations and future initiatives will involve a variety of risks including (i) government trade restrictions, including those which may impose restrictions, including prohibitions, on the exportation, re-exportation, sale, shipment or other transfer of programming, technology, components and/or services to foreign persons and (ii) changes in diplomatic and trade relationships, including new tariffs, trade protections measures, import or export licensing requirements, trade embargoes and other trade barriers. Emerging nationalist trends in countries may also significantly and adversely alter the trade environment. These conditions may add uncertainty to the timing and budget for technology investment decisions by our customers and may impact our ability to do business in some markets or with some public-sector customers.

We may face competition in other countries from companies that may have more experience with operations in such countries, have well-established relationships with clients, or be able to provide services at lower costs or on terms more attractive than we can. 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.

Pandemics and public health crises, such as COVID-19, affecting the geographies where our or our customers' operations are located can have an adverse impact on our business.

Terrorist attacks 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 U.S. or Europe, our business may be significantly impacted, as a majority of our revenue is derived from clients located in those regions.

Further, South Asia has from time to time experienced instances of civil unrest and hostilities among neighboring countries. Such activities could disrupt communications, make travel more difficult, and 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.

If our risk management, business continuity and disaster recovery plans are not effective and our global delivery capabilities are impacted, our business and results of operations may be materially adversely affected, and we may suffer harm to our reputation.

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

The success of our business is dependent on our ability to attract and retain talented and experienced professionals, and the ability to mobilize them around the world to meet our clients' needs. Immigration laws in the countries we operate in are subject to legislative changes, as well as to variations in the standards of application and enforcement due to political forces and economic conditions. Changes in immigration laws to restrict offshore outsourcing, limit the availability of certain work visas or increase visa fees in the key markets in which we operate may impact our ability to staff projects in a timely manner and negatively affect our profitability.

A few countries have introduced new provisions and standards in immigration law which can impact our ability to provide services in those countries due to restrictive policies and additional costs involved. It is difficult to predict the political and economic events that could affect immigration laws, or the restrictive impact they could have on obtaining or renewing work visas for our technology professionals. Travel restrictions in connection with COVID-19 may also negatively impact our employees' ability to obtain work permits or cause delays in obtaining work permits and travel as required to provide services to our clients.

**USA**

Since a large part of our business centers around the United States, changes to U.S. immigration laws could make it more difficult to obtain the required nonimmigrant work authorizations for our employees that allow us to compete for and provide timely and cost-effective services to our clients in the United States. There have been and will continue to be calls for extensive changes to U.S. immigration laws regarding the admission of highly skilled temporary and permanent workers. There are some legislative proposals which, if passed and signed into law, could add further costs and/or restrictions to some of the high-skilled temporary worker categories, which may discourage some customers from seeking our services. This could have a material and adverse effect on our business, revenues and operating results.

We currently have sufficient personnel with valid nonimmigrant worker visas and are also increasing hiring in the United States to continue services to clients. However, the uncertainty around whether we will continue to be able to obtain adequate number of nonimmigrant worker visas for our employees on the same timeframe as we currently maintain, could affect our ability to be responsive to business needs and cause our revenue to decline.

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

Some countries and organizations have expressed concerns about a perceived connection between offshore outsourcing and the loss of jobs domestically. With high domestic unemployment levels in many countries and increasing political and media attention on the outsourcing of services internationally by domestic corporations, there have been concerted efforts in many countries to enact new legislations to restrict offshore outsourcing or impose restrictions on companies that outsource. In addition to calls for changes to U.S. immigration laws regarding the admission of highly skilled temporary and permanent workers, restrictive outsourcing legislation may be considered by federal and state authorities in the United States. In the event any of these measures become law, our ability to do business in these jurisdictions could be adversely impacted, which in turn could adversely affect our revenues and operating profitability.

In addition, from time to time, negative experiences associated with offshore outsourcing, such as theft, misappropriation of sensitive client data and cybersecurity breaches, have been publicized, 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 harmful publicity or any negative perceptions that may be associated with using an offshore service provider. Any slowdown or reversal of existing industry trends towards offshore outsourcing would seriously harm our ability to compete effectively with competitors that provide services from within the countries in which our clients operate.

Further, under the United Kingdom's Transfer of Undertakings (Protection of Employees) Regulations, 2006, as well as similar regulations in European Union member countries, employees who are dismissed by an outsourcing vendor could seek compensation from their current or new employer. This could adversely impact our customers' ability to outsource and also result in additional costs due to redundant payment liabilities. Such events could have an adverse impact on our results of operations and our financial position.

#### Risks Related to Our Contractual Obligations

##### ***We may be subject to litigation and be required to pay damages for deficient services or for violating intellectual property rights, data breach or breach of confidentiality.***

We may be subject to customer audits on quality of service and required to pay damages or face litigations for losses caused by deficient services. We may be liable to our clients for damages or termination of contract if we are unable to address disruption in services to our clients with adequate business continuity plans. We may not be aware if our employees have misappropriated and/or misused intellectual property, and their actions could result in third-party claims against us for intellectual property misappropriation and/or infringement. We may also be subject to litigations or damages for violating or misusing our clients' intellectual property rights or for breaches of third-party intellectual property rights or confidential information (including but not limited to proprietary data and personally identifiable information). Further, our contracts often contain provisions pursuant to which we must indemnify our clients for such third-party breaches of intellectual property, data breach or breach of confidentiality pursuant to our contracts. Additionally, 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. Such scenarios could require us to pay damages, enter into expensive arrangements or modify our products and services, causing significant damage to our reputation and adversely affecting our results from operations.

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

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

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

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

- Government entities often reserve the right to audit our contract costs, including allocated indirect costs, and conduct inquiries and investigations of our business practices with respect to our government contracts. If the client finds that the costs are not chargeable, then we will not be allowed to bill for them, or the cost must be refunded to the client if it has already been paid to us. Findings from an audit may also result in prospective adjustments of previously agreed upon rates for our work and may affect our future margins.
- If a government client discovers improper or illegal activities in the course of audits or investigations, we may become subject to various civil and criminal penalties and administrative sanctions, which may include termination of contracts, forfeiture of profits, suspension of payments, fines and suspensions or unilateral debarment from doing business with other agencies of that government. The inherent limitations of internal controls may not prevent or detect all improper or illegal activities, regardless of their adequacy, and therefore we can only mitigate, and not eliminate, this risk.
- Government contracts are often subject to more extensive scrutiny and publicity than contracts with commercial clients. Negative publicity related to our government contracts, regardless of its accuracy, may further damage our business by affecting our ability to compete for new contracts among commercial and governmental entities.

- Political and economic factors such as pending elections, changes in leadership among key governmental decision makers, revisions to governmental tax policies, reduced tax revenues and public health crises, such as COVID-19, can affect the number and terms of new government contracts signed.
- Terms and conditions of government contracts tend to be more onerous and are often more difficult to negotiate than those for commercial contracts.
- Government contracts may not include a cap on direct or consequential damages, which could cause additional risk and expense in these contracts.
- Agreements with government clients may be subject to periodic funding approval. Funding reductions or delays could adversely impact public sector demand for our offerings.
- Participation in government contracts could subject us to stricter regulatory requirements, which may increase our cost of compliance.
- Delays in acceptances of delivery milestones or release of payments could adversely affect our cashflows.

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

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

- the business or financial condition of our clients or the economy generally;
- a change in strategic priorities, resulting in a reduced level of IT spending;
- a demand for price reductions;
- a change in outsourcing strategy such as moving to client in-house IT departments or to our competitors; and
- consolidation of IT spending by our clients, whether arising out of mergers and acquisitions, or otherwise.

Larger projects may involve multiple engagements or stages, and there is a risk that a client may choose not to retain us for subsequent stages or may cancel or delay subsequent planned engagements. Further, we may not be able to sell additional services to existing clients. Termination of client relationships, particularly relationships with our significant customers, would have a material adverse effect on our business, results from operations and financial condition.

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

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

#### Risks Related to Our Investments

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

The IT services market is characterized by rapid technological changes, evolving industry standards, changing client preferences and new product and service introductions. Our future success will depend on our ability to anticipate these advances and enhance our existing offerings or develop new product and service offerings to meet client needs. We may not be successful in anticipating or responding to these advances on a timely basis, or, if we do respond, the services or technologies we develop may not be successful in the marketplace. We may also be unsuccessful in

stimulating customer demand for new and upgraded products, or seamlessly managing new product introductions or transitions. Further, products, services or technologies that are developed by our competitors, including emerging companies offering specialized services with effective and targeted allocation of technical, marketing and financial resources, may render our services non-competitive or obsolete. Our failure to address the demands of the rapidly evolving information technology environment, particularly with respect to digital technology, the internet of things (“IoT”) (including 5G), artificial intelligence (“AI”), cloud computing, storage, mobility and applications, analytics, augmented reality, automation, blockchain and quantum computing or as-a-service solutions could have a material adverse effect on our business, results of operations and financial condition.

***We are making substantial investments 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 in anticipation of growth in our business. The total amount of investment in property, plant and equipment in fiscal year 2022 was ₹ 20,153 million (\$265.6 million). Additionally, as of March 31, 2022, we had contractual commitments of ₹ 11,376 million (\$149.9 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 to sufficiently offset the increased expenditures, our profitability could be reduced.

***We may invest in companies for strategic reasons that may not be successful or meet our expectations.***

We make non-controlling investments in companies which are important to our business strategy and to complement some of our business initiatives. These may include investments in non-marketable securities of early stage companies that carry a significant degree of risk and may not become liquid for several years from the date of investment. These investments may not generate financial returns or may not yield the desired business outcome. The success of our investment in a company is sometimes dependent on the availability of additional funding on favorable terms or a liquidity event such as an initial public offering. We may record impairment charges in relation to our strategic investments which will have a negative impact on our financial position.

Investments in companies where we do not have majority ownership expose us to decisions made by others, as we have lesser degree of control. This may expose us to additional reputational, financial, legal, compliance or operational risks. This could impact our ability to align the strategic goals of such companies with our goals and may impact the returns on our investment. We may also be required to exit such investments at inopportune times or make further investments based on current shareholder agreements. Such further investments may have to be made at a time when the venture is financially struggling, and this may erode or dilute its value to our shareholders.

***We may engage in future acquisitions that may not be successful or meet our expectations.***

We have acquired, and in the future may acquire or make investments in, complementary businesses, technologies, services or products, or enter into strategic partnerships or joint ventures with parties that we believe can provide access to new markets, capabilities or assets. After reaching an agreement for the acquisition of a business, we are subject to the satisfaction of pre-closing conditions as well as certain regulatory and governmental approvals on acceptable terms, which, if not satisfied or obtained, may prevent us from completing the transaction. Such regulatory and governmental approvals may be required in jurisdictions around the world, and any delays in the timing of such approvals could materially delay or prevent the transaction. Changes in competition laws in India and abroad could also impact our acquisition plans by prohibiting potential transactions which could otherwise be beneficial for us.

The acquisition of new businesses subjects us to many risks, and we can provide no assurances that any such acquisition will be successful or meet our expectations. If it does not, we may suffer losses, dilute value to shareholders, may not be able to take advantage of appropriate investment opportunities or complete other transactions on terms commercially acceptable to us. It may take longer than expected to realize the full benefits from these transactions and arrangements, such as increased revenue or synergies, or the benefits may ultimately be smaller than we expected, which could adversely affect our Consolidated Financial Statements.

Despite our due diligence process, we may fail to discover significant issues around an acquired company’s intellectual property, service offerings, customer relationships, employee matters, accounting practices or regulatory compliances. We may also fail to discover liabilities that are not properly disclosed to us or we inadequately assess in our due diligence efforts or liabilities that may arise out of regulatory non-compliance, contractual obligations, intellectual property, terminated employees, current or former clients or other third parties, liabilities resulting from an acquisition target’s previous activities, or from an acquisition’s internal controls related to financial reporting, disclosure requirements or cyber and information security environment. We cannot predict or guarantee that our efforts will be effective or will protect us from liability. We may be unable to get indemnification protection or other contractual protections or relief for any material liabilities associated with our acquisitions or investments. If any of these circumstances occur, they could result in unexpected regulatory or legal exposure, including litigation with new or existing clients, unfavorable accounting treatment, unexpected increases in taxes or other adverse effects on our relationships with clients and our business, and could harm our operating results.



We may increase our interest expense and leverage if we incur additional debt to pay for an acquisition. Use of cash to pay for acquisitions may limit other potential uses of cash, including stock repurchases and dividend payments.

We may be required to integrate any acquired entities into our framework of internal control over financial reporting and disclosure controls and procedures. Integration of acquired entities could be a time-consuming and expensive process. We could have difficulty in integrating the acquired services, solutions, technologies or products into our operations. We could also have difficulties in assimilating and retaining the key personnel, consolidating and integrating IT infrastructure or operations of the acquired companies.

We may face difficulties in meeting the needs of the acquired company's customers and partners following completion of the acquisition. We may face litigation or other claims arising out of our acquisitions, including disputes with regard to earn-outs or other closing adjustments. These difficulties could disrupt our ongoing business, distract our management and employees, and increase our expenses.

***Goodwill and acquisition related intangibles that we carry on our balance sheet could give rise to significant impairment charges in the future.***

The amount of goodwill and intangible assets in our Consolidated Financial Statements has increased significantly in recent years, primarily on account of acquisitions. Goodwill is subject to impairment review at least annually and acquired intangibles are assessed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, which may lead to impairment charges in the future. Any significant impairment charges could have a material adverse effect on our results of operations.

***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 under the applicable foreign exchange regulations does not require approval from the Reserve Bank of India ("RBI") and relevant government authorities in India, subject to compliance of prescribed conditions. The Government of India ("GoI") currently does not mandate prior approvals for IT companies such as ours. However, by notification dated April 22, 2020, the GoI has amended its foreign direct investment ("FDI") policy to state that investment by a non-resident entity of a country which shares a land border with India, or where the beneficial ownership of an investment into India is situated in or is a citizen of any such countries, shall be under the 'Government Route', which requires GoI approval prior to investment. Further, in case of transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the above-mentioned restriction/purview such subsequent change in beneficial ownership, will also require GoI approval. If we are required to seek the approval of the GoI and the GoI does not approve the proposed 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.

**Risks Related to our Cost Structure**

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

We negotiate pricing terms with our clients utilizing a range of pricing structures and conditions. Depending on the particular contract, we may use time and materials pricing, fixed-price arrangements, or hybrid contracts with features of both pricing models. We also undertake element or transaction-based pricing, which relies on a certain scale of operations to be profitable for us. Our pricing is highly dependent on the client and our internal forecasts and predictions about our projects and the marketplace, which might be based on limited data and could be inaccurate.

There is a risk that we will underprice our contracts, fail to accurately estimate the duration, complexity and costs of performing the work or fail to accurately assess the risks associated with potential contracts. The risk is greatest when pricing our outsourcing contracts, as many of our outsourcing projects entail the coordination of operations and workforces in multiple locations, utilizing workforces with different skill sets and competencies across geographically distributed service centers. Furthermore, when work gets outsourced, we occasionally takeover employees/assets from our clients and assume responsibility for one or more of our clients' business processes. Our pricing, cost and profit margin estimates on outsourced work frequently include anticipated long-term cost savings from transformational initiatives and other endeavors that we expect to achieve and sustain over the life of the outsourcing contract, but may not generate revenue in the short term.

We offer a portion of our services on a fixed-price, fixed-time frame basis, rather than on a time-and-materials basis. Although we use our specified software engineering processes and rely on our past project experience to reduce the risks associated with estimating, planning and performing such projects, we bear the risks of cost overruns, including increased costs of third parties, completion delays and wage inflation in connection with these projects, which may have a material adverse effect on our profitability.

We may also fail to obtain renewals or provide ongoing services, the loss of which prevents us from realizing from long-term cost savings. In particular, any increased or unexpected costs, or wide fluctuations compared to our original estimates, delays or failures to achieve anticipated cost savings, or unexpected risks we encounter in connection with the performance of this work, including those caused by factors outside our control, could make these contracts less profitable or unprofitable, which could have an adverse effect on our profit margin. For example, the conditions caused by the COVID-19 pandemic may affect the rate of customer spending, and adverse impact on our ability to provide on-site services to our customers or delays to the provisioning of our offerings, including due to travel restrictions imposed by many countries, could adversely affect our future revenues, operating results and overall financial performance.

***Errors, defects or disruptions in our services could raise our costs, diminish our service capacities and harm our financial results.***

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

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

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

***Wage increases in India or our inability to hire in low cost locations may diminish our competitive advantage against companies located in the United States and Europe and may reduce our profit margins.***

Our wage costs in India have historically been significantly lower than wage costs in the U.S. 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 have historically experienced significant competition for employees from large multinational companies that have established and continue to establish offshore operations in India, as well as from companies within India. We may need to increase the levels of our employee compensation more rapidly than in the past to retain talent. Once the effective date is notified by the GoI, we may also experience increased costs in future years for employment and post-employment benefits in India as a result of the issuance of The Code on Social Security, 2020. 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, any inability to increase the proportion of employees with less experience, or source talent from other low-cost locations, like Eastern Europe, China or Southeast Asia could also negatively affect our profits.

***Our defined benefit plan assets are subject to market volatility.***

Our employee compensation policies include certain defined benefit plans where it is our obligation to provide agreed benefits to the employees. These obligations are funded through certain plan assets which carry actuarial and investment risks. These risks include adverse salary growth or demographic experience, which can result in an increase in cost of providing these benefits to employees in future. The valuation of plan assets considers an expected return which is based on expectation of the average long-term rate of return on investments of the fund during the estimated term of the obligations. Should we not achieve the expected rate of return on the plan assets or if the plan experiences a decline in the fair value of its assets, we may be required to contribute assets to the plan which could adversely affect our results of operations and financial position.

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

Our IT Services business contributes 98.3% of our revenue. A significant portion of our revenue from this segment is derived from transactions in foreign currencies, including the U.S. Dollar, the Pound Sterling, the Euro, the Canadian Dollar and the Australian Dollar while a large portion of our costs are in Indian Rupees. The exchange rate between the Indian Rupee and foreign currencies has fluctuated significantly in recent years and may continue to fluctuate in the future. As our financial statements are presented in Indian Rupees, such fluctuations could have a material impact on our reported results. Appreciation of the Indian Rupee against foreign currencies can therefore adversely affect our revenue and competitive position and can adversely impact our operating results. We generate approximately 41% of our IT Services revenues in non-U.S. Dollar currencies, and the exchange rate fluctuations between these currencies and the U.S. Dollar can affect our revenues and growth, as expressed in U.S. Dollar terms.

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

There are risks associated with the use of such hedging instruments. While hedging instruments may mitigate our exposure to fluctuations in currency exchange rates to a certain extent, we potentially forego benefits that might result from market fluctuations in currency exposures. These hedging transactions can also result in substantial losses. Such losses could occur under various circumstances, including, without limitation, any circumstances in which a counterparty does not perform its obligations under the applicable hedging arrangement (despite having International Swaps and Derivatives Association agreements in place with each of our hedging counterparties), there are currency fluctuations or the arrangement is imperfect or ineffective. Further, the policies of the RBI may change from time to time which may limit our ability to hedge our foreign currency exposures adequately.

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

We maintain an investment portfolio of various holdings, types, and maturities. These investments are subject to general credit, liquidity, market, and interest rate risks. Deterioration of the credit rating of counterparties and in the credit as well as the debt capital markets in general due to economic turmoil or the COVID-19 pandemic could result in volatility of our investment earnings and impairments to our investment portfolio, which could negatively impact our financial condition and net income. Further, fluctuations in the interest rate environment based on changes in the RBI's monetary policy could affect the interest income and thereby our profitability.

#### **Risks Related to Our Workforce**

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

The continued efforts of the senior members of our management team are critical to our success. Our future performance and customer relationships may be affected by any disruptions in the continued service of our directors and executive officers.

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

We may not be able to hire and retain enough skilled and experienced employees to replace those who leave, which may increase our reliance on subcontractors to fulfill demand. If our workforce is unable to fulfill demand effectively, our profitability could be negatively impacted.

Additionally, we may not be able to re-skill, reassign or retain our employees to keep pace with continuous changes in technology, evolving standards and changing client preferences. If we are unable to maintain an employee environment that is competitive and appealing, it could have an adverse effect on engagement and retention. Our revenues, results of operations and financial condition could be adversely affected if we are unable to manage employee hiring and attrition to achieve a stable and efficient workforce structure.

Changes in policies or laws may also affect our ability to attract and retain personnel and may hinder our ability to hire adequate numbers of qualified technology professionals.

### **Risks Related to Our Operations**

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

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

- recruiting, training and retaining sufficiently skilled technical, marketing and management personnel;
- maintaining an effective internal control system and properly educating and training employees to mitigate the risk of individuals engaging in unlawful or fraudulent activity or otherwise exposing us to unacceptable business risks;
- maintaining our high standards of service and high levels of client satisfaction;
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications and other internal systems including data management in our IT applications and Management Information Systems, and transitioning from historical systems to new or improved infrastructure that may require additional resources and efforts to implement, troubleshoot or otherwise integrate into existing processes and procedures;
- preserving our culture, values and entrepreneurial environment;
- assimilating and integrating disparate IT systems, personnel and employment practices, our culture and values, and operations of acquired companies; and
- managing our procurement, supply chain and vendor management processes.

*We are subject to stringent and changing laws, regulations, standards, and contractual obligations related to privacy, data protection, and data security. Our actual or perceived failure to comply with such obligations could harm our business.*

We receive, collect, store, process, transfer, and use personal information and other data relating to users of our products, our employees and contractors, and other persons. We have legal and contractual obligations regarding the protection of confidentiality and appropriate use of certain data, including personal information. We are subject to numerous federal, state, local, and international laws, directives, and regulations regarding privacy, data protection, and data security and the collection, storing, sharing, use, processing, transfer, disclosure, and protection of personal information and other data, the scope of which are changing, subject to differing interpretations, and may be inconsistent among jurisdictions or in conflict with other legal and regulatory requirements. We are also subject to certain contractual obligations to third parties related to privacy, data protection and data security. We strive to comply with our applicable policies and applicable laws, regulations, contractual obligations, and other legal obligations relating to privacy, data protection, and data security to the extent possible. However, the regulatory framework for privacy, data protection and data security worldwide is, and is likely to remain for the foreseeable future, uncertain and complex, and it is possible that these or other actual or alleged obligations may be interpreted and applied in a manner that we do not anticipate or that is inconsistent from one jurisdiction to another and may conflict with other legal obligations or our practices. Any perception of privacy, data security, or data protection concerns or an inability to comply with applicable laws, regulations, policies, industry standards, contractual obligations, or other legal obligations, even if unfounded, may result in additional cost and liability to us, harm our reputation and inhibit adoption of our products by current and future customers, and adversely affect our business, financial condition, and results of operations. Further, any significant change to applicable laws, regulations or industry practices regarding the collection, use, retention, security or disclosure of data, or their interpretation, or any changes regarding the manner in which the consent of users or other data subjects for the collection, use, retention or disclosure of such data must be obtained, could increase our costs and require us to modify our services and features, possibly in a material manner, which we may be unable to complete, and may limit our ability to store and process user data or develop new services and features.

If we were found in violation of any applicable laws or regulations relating to privacy, data protection, or security, in addition to any regulatory fines, penalties, or litigation costs, our business may be materially and adversely affected and we would likely have to change our business practices and potentially the services and features available through our platform. In addition, these laws and regulations could constrain our ability to use and process data in manners that may be commercially desirable. In addition, if a breach of data security were to occur or to be alleged to have occurred, if any violation of laws and regulations relating to privacy, data protection or data security were to be alleged, or if we had any actual or

alleged defect in our safeguards or practices relating to privacy, data protection, or data security, our solutions may be perceived as less desirable and our business, prospects, financial condition, and results of operations could be materially and adversely affected.

Various United States, or U.S., privacy laws are potentially relevant to our business, including the Federal Trade Commission Act, Controlling the Assault of Non-Solicited Pornography and Marketing Act, and the Telephone Consumer Protection Act. We are also subject to the Health Insurance Portability and Accountability Act of 1996, as amended, which imposes certain requirements relating to the privacy, security and transmission of individually identifiable health information. Any actual or perceived failure to comply with these laws could result in a costly investigation or litigation resulting in potentially significant liability, loss of trust by our users, and a material and adverse impact on our reputation and business.

In June 2018, California passed the California Consumer Privacy Act (“CCPA”), which provides new data privacy rights for California consumers and new operational requirements for covered companies. The CCPA, among other things, provides that covered companies must provide new disclosures to California consumers and afford such consumers new data privacy rights that include the right to request a copy from a covered company of the personal information collected about them, the right to request deletion of such personal information, and the right to request to opt-out of certain sales of such personal information. The CCPA became operative on January 1, 2020. The California Attorney General can enforce the CCPA, including seeking an injunction and civil penalties for violations. The CCPA provides a private right of action for certain data breaches that is expected to increase data breach litigation. The CCPA has required us to modify our data practices and policies and to incur substantial costs and expenses in an effort to comply. Additionally, a new privacy law, the California Privacy Rights Act (“CPRA”), was approved by California voters in November 2020 and will go into effect on January 1, 2023. The CPRA will significantly modify the CCPA, potentially resulting in further uncertainty and requiring us to incur additional costs and expenses in an effort to comply. More generally, some observers have noted the CCPA could mark the beginning of a trend toward more stringent privacy legislation in the United States, as observed with the recent Virginia Consumer Data Protection Act, enacted March 2021. These new state laws could increase our potential liability and adversely affect our business.

Internationally, we also expect that there will continue to be new laws, regulations, and industry standards concerning privacy, data protection, and information security proposed and enacted in various jurisdictions. For example, the data protection landscape in the EU continues to evolve, resulting in possible significant operational costs for internal compliance and risks to our business. The EU adopted the General Data Protection Regulation (“GDPR”), which became effective in May 2018, and contains numerous requirements and changes from previously existing EU laws, including more robust obligations on data processors and heavier documentation requirements for data protection compliance programs by companies. Among other requirements, the GDPR regulates the transfer of personal data subject to the GDPR to third countries that have not been found to provide adequate protection to such personal data, including the U.S. Failure to comply with the GDPR could result in penalties for noncompliance (including possible fines of up to the greater of €20 million and 4% of our global annual turnover for the preceding financial year for the most serious violations, as well as the right to compensation for financial or non-financial damages claimed by individuals under Article 82 of the GDPR). Despite our efforts to attempt to comply with the GDPR, a regulator may determine that we have not done so and subject us to fines and public censure, which could harm our company.

Among other requirements, the GDPR regulates transfers of personal data outside of the European Economic Area, (the “EEA”), to third countries that have not been found to provide adequate protection to such personal data, including the U.S. We have undertaken certain efforts to conform transfers of personal data from the EEA to the U.S. and other jurisdictions based on our understanding of current regulatory obligations and the guidance of data protection authorities, including the use of standard contractual clauses approved by the European Commission (the “SCCs”). With regard to transfers to the U.S. of personal data from our employees and European customers and users, we rely upon the SCCs. The “Schrems II” decision issued by the Court of Justice of the European Union (the “CJEU”), on July 16, 2020, invalidated the EU-U.S. Privacy Shield Framework as a mechanism to transfer personal data from the EEA to the U.S. In the same decision, the CJEU confirmed the validity of the SCCs, but advised that the SCCs must be considered on a case-by-case basis, in conjunction with an assessment as to whether national security laws conflict with the guarantees provided by the data importer under the SCCs. Although we believe we continue to satisfy regulatory requirements through our use of SCCs, these latest developments represent a milestone in the regulation of cross-border data transfers, and require major changes to our data transfer policy, including the need to conduct legal, technical, and security assessments for each data transfer from the EEA to a country outside of the EEA. This means that we may be unsuccessful in maintaining legitimate means for our transfer and receipt of personal data from the EEA. We may, in addition to other impacts, experience additional costs associated with increased compliance burdens, and we and our customers face the potential for regulators in the EEA to apply different standards to the transfer of personal data from the EEA to the U.S., and to block, or require ad hoc verification of measures taken with respect to, certain data flows from the EEA to the U.S. We also may be required to engage in new contract negotiations with third parties that aid in processing data on our behalf. We may experience reluctance or refusal by current or prospective European customers to use our platform or products, and we may find it necessary or desirable to make further changes to our handling of personal data of EEA residents.

The regulatory environment applicable to the handling of EEA residents’ personal data, and our actions taken in response, may cause us to assume additional liabilities or incur additional costs and could result in our business, operating results, and financial condition being harmed. We and our customers may face a risk of enforcement actions by data protection authorities in the EEA relating to personal data transfers to us and by us from

the EEA. Any such enforcement actions could result in substantial costs and diversion of resources, distract management and technical personnel and negatively affect our business, operating results and financial condition.

In addition to the GDPR, the European Commission has another draft regulation in the approval process that focuses on a person's right to conduct a private life. The proposed legislation, known as the Regulation of Privacy and Electronic Communications ("**ePrivacy Regulation**"), would replace the current ePrivacy Directive. Originally planned to be adopted and implemented at the same time as the GDPR, the ePrivacy Regulation is still being negotiated. Most recently, on February 10, 2021, the Council of the EU agreed on its version of the draft ePrivacy Regulation. If adopted, the earliest date for entry into force is in 2023, with broad potential impacts on the use of internet-based services and tracking technologies, such as cookies. Aspects of the ePrivacy Regulation remain for negotiation between the European Commission and the Council. We expect to incur additional costs to comply with the requirements of the ePrivacy Regulation as it is finalized for implementation.

The U.K. is treated as a third country (for the purposes of data transfers). On June 28, 2021, the European Commission published two adequacy decisions in respect of transfers under the GDPR and the Law Enforcement Directive stating that the U.K. provides adequate protection for personal data transferred from the EU to the U.K. under the GDPR. The adequacy decision is expected to last until June 27, 2025 but may end earlier, for example if an EU data subject or EU data protection authority challenges the adequacy decisions. In such a case, the Court of Justice of the European Union would need to determine whether the U.K. provides essentially equivalent protection. The U.K. government has confirmed that the EEA is adequate, and so all transfers of personal data from the U.K. to the EEA will continue to be unrestricted after July 1, 2021.

Other countries also are considering or have enacted legislation that could impact our compliance obligations, expose us to liability, and increase the cost and complexity of delivering our services. We are also monitoring recent or pending legislation in India, Brazil, China and Japan, among others, for further impacts on our compliance obligations, including requirements for local storage and processing of data that could increase the cost and complexity of delivering our services. Such current or pending legislation may also result in changes to enforcement measures and sanctions.

In addition to government regulation, privacy advocates and industry groups may propose new and different self-regulatory standards that may legally or contractually apply to us. One example of such a self-regulatory standard is the Payment Card Industry Data Security Standard, (the "**PCI DSS**"), which relates to the processing of payment card information. In the event we fail to comply with the PCI DSS, fines and other penalties could result, and we may suffer reputational harm and damage to our business. We may also be bound by and agree to contractual obligations to comply with other obligations relating to privacy, data security, or data protection, such as particular standards for information security measures.

We also expect that there will continue to be changes in interpretations of existing laws and regulations, or new proposed laws and regulations concerning privacy, data security, and data protection. We cannot yet determine the impact these laws and regulations or changed interpretations may have on our business, but we anticipate that they could impair our or our customers' ability to collect, use or disclose information relating to consumers, which could decrease demand for our platform, increase our costs and impair our ability to maintain and grow our customer base and increase our revenue. Moreover, because the interpretation and application of many laws and regulations relating to privacy, security, and data protection, along with mandatory industry standards, are uncertain, it is possible that these laws, regulations and standards, or contractual obligations to which we are or may become subject, may be interpreted and applied in a manner that is inconsistent with our existing or future data management practices or features of our platform and products. Any failure or perceived failure by us to comply with our posted privacy policies, our privacy-related obligations to users or other third parties, or any other legal obligations or regulatory requirements relating to privacy, data protection, or data security, may result in governmental investigations or enforcement actions, litigation, claims, or public statements against us by consumer advocacy groups or others and could result in significant liability, cause our users to lose trust in us, and otherwise materially and adversely affect our reputation and business. Furthermore, the costs of compliance with, and other burdens imposed by, the laws, regulations, other obligations, and policies that are applicable to the businesses of our users may limit the adoption and use of, and reduce the overall demand for, our platform. Additionally, if third parties we work with violate applicable laws, regulations or contractual obligations, such violations may put our users' data at risk, could result in governmental investigations or enforcement actions, fines, litigation, claims, or public statements against us by consumer advocacy groups or others and could result in significant liability, cause our users to lose trust in us, and otherwise materially and adversely affect our reputation and business. Further, public scrutiny of, or complaints about, technology companies or their data handling or data protection practices, even if unrelated to our business, industry or operations, may lead to increased scrutiny of technology companies, including us, and may cause government agencies to enact additional regulatory requirements, or to modify their enforcement or investigation activities, which may increase our costs and risks.

***Cyber-attacks and other security incidents, both real and perceived, impacting confidentiality and integrity of our information technology and digital infrastructure could lead to loss of reputation and financial obligations.***

Considering the high business dependency on our information technology and digital infrastructure to interconnect offices, employee systems, partners and clients for day-to-day business operations, as well as our hosting of data and service delivery, any potential cyber event impacting the confidentiality, integrity and availability of this environment could lead to financial loss, disclosure of data, breaches of privacy or security, reputational and customer loss, and legal, regulatory and contractual obligations that may directly impact us and our relationships with our customers and partners.

Given the rise of connected devices, transition to cloud and use of other emerging technologies, the impact of threats continue to increase while the threat attack area is evolving and increasing beyond the enterprise. Cybersecurity incidents, both actual and attempted, involving unauthorized access, malware, fraud, leakage, misuse/loss/tampering of personal and business data, denial of services exploiting weakness in the systems or programs, errors, omissions, deliberate or accidental act of our employees or former employees, partners, third-party business providers or other stakeholders both internal and external are on the rise. Our internal security controls may not be able to keep pace with these evolving and intensifying threats. Inadequate account security practices may also result in unauthorized access to confidential data. For example, system administrators may fail to timely remove employee account access when no longer appropriate. There may be vulnerabilities in open source software incorporated into our offerings that may make our offerings susceptible to cyberattacks.

We face a number of threats to our data centers and networks such as unauthorized access, security breaches and other system disruptions. It is critical to our business that our infrastructure remains secure and is perceived by customers to be secure. Despite our security measures, our infrastructure may be vulnerable to attacks by hackers or other disruptive problems, such as a 'Zero Day' attack, for which no remedies are available with network security service providers. As an IT Services provider, we may be an attractive target of cyber-attacks designed to impede the performance of our products, penetrate our network security or the security of our internal systems, or that of our customers, misappropriate proprietary information and/or cause interruption to our services. Also, due to geopolitical conflicts such as the recent conflict between Russia and Ukraine, we and our third-party business providers are vulnerable to a heightened risk of cybersecurity attacks, phishing attacks, viruses, malware, ransomware, hacking or similar breaches from any nation-state actors, including attacks that could materially disrupt our systems and operations, supply chain, and ability to sell and distribute our services. We can provide no assurance that our systems are fully protected against third-party intrusions, viruses, hacker attacks, information or data theft or other similar threats. For example, in April 2019, we became aware that our system was subject to a cyber-attack by a coordinated and advanced phishing campaign, which was reportedly directed against several major companies, including Wipro. Upon learning of this campaign, we collaborated with a forensic firm to investigate the incident and have worked closely with our anti-virus provider and our security team to counter the malware found in our system and implement a series of additional precautionary and containment measures across our system. In our investigation into this incident, we found no evidence of data breach or data loss. However, any third-party intrusions, viruses, hacker attacks, information or data theft or similar threats against us and our systems may have a material adverse effect on our business, financial condition and results of operations.

Breaches of our security measures or the accidental loss, inadvertent disclosure or unapproved dissemination of confidential customer data could expose us, our customers or the affected parties to a risk of loss or misuse of this information. We could be subject to termination of contracts for non-compliance with our client's information security policies and procedures. If additional safeguards are required to comply with laws relating to privacy, security and data protection, our costs could increase further, which would negatively affect our results of operations.

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

In response to COVID-19, most of our employees have been asked to work from home. In order to better support employees working from home, we have enhanced our cybersecurity measures by installing secure agents in our systems. While various security control mechanisms are deployed and periodically re-enforced, these security control mechanisms may not always be successful, considering the complexity of the environments, inter-dependencies, sophisticated attack methodologies, highly dynamic heterogeneous systems, global digital presence, hosted both in the cloud and on premises, and work from home arrangements. Our service delivery and operations are aligned to various industry, geographical and regional regulations, privacy, security, reporting, data localization, standards and legal requirements which are continuously evolving and changing, mandating us to enforce required security and privacy controls and frameworks.

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

As we have increased the breadth of our service offerings, we have engaged in larger and more complex projects with our clients. This requires us to establish closer relationships with our clients and potentially with other technology service providers and vendors and to have a more thorough understanding of our clients' operations. Our ability to establish such relationships will depend on a number of factors, including the proficiency of our IT professionals and our management personnel. Our failure to understand and successfully implement our clients' requirements, the domain and country-specific laws and regulations which govern the products and services that we provide, or our failure to deliver services which meet the requirements specified by our clients could result in termination of client contracts, reputational harm and/or imposition of penalties or the payment of damages. This may further damage our business by affecting our ability to compete for new contracts with current and prospective clients. 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. We may also be subject to loss of clients due to dependence on alliance partners, subcontractors or third-party product vendors. In projects where we own the end-to-end delivery, we may incur penalties on work performed by our alliance partners, subcontractors or third-party product vendors if they do not meet contractual performance thresholds.

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

***Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject, and this may have a material adverse effect on our business.***

Our insurance policies cover physical loss or damage to our property and equipment arising from a number of specified risks and certain consequential losses, including business interruption, arising from the occurrence of an insured event under the policies. Under our property and equipment policies, damages and losses caused by certain natural disasters, such as earthquakes, acts of terrorism, floods and windstorms are also covered. We also maintain various other types of insurance including, but not limited to, directors' and officers' liability insurance, workmen's compensation insurance, errors and omissions insurance, cyber insurance, representation and warranties insurance in certain acquisitions and marine insurance. We also maintain receivables insurance for some of our clients to reduce losses due to sudden bankruptcy. We maintain insurance on property and equipment in amounts believed to be consistent with industry practices, but we are not fully insured against all such risks. Notwithstanding the insurance coverage that we carry, the occurrence of an event that causes losses in excess of the limits specified in our policies, or losses arising from events not covered by insurance policies, could materially harm our financial condition and future operating results. There can be no assurance that any claims filed, under our insurance policies will be honored fully or timely. Also, our financial condition may be affected to the extent we suffer any loss or damage that is not covered by insurance or which exceeds our insurance coverage. A successful assertion of one or more large claims against us that results in changes to our insurance policies, including premium increases or the imposition of a large deductible or co-insurance requirement, could also adversely affect our revenues and operating results.

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

We continue to share the "Wipro" brand with Wipro Enterprises (P) Limited, which was formed following the demerger of the Company's consumer care and lighting, infrastructure engineering and other non-IT business segments. Our brand may be negatively impacted by a number of factors, including, among others, reputational issues and performance failures, some of which may be outside of our control. Further, if we fail to maintain and enhance the quality of our brand, our business and operating results may be materially and adversely affected. Maintaining and enhancing our brand will depend largely on our ability to remain a technology leader and continue to provide high quality, innovative services and solutions to our customers.

Damage to our reputation or our brands may occur from, among other factors, data security breaches, compliance failures, or actions of partners or individual employees. The proliferation of social media may increase the likelihood, speed and magnitude of negative publicity. If our brands or reputation are damaged, it could negatively impact our revenues or margins, or our ability to attract the most highly qualified employees.



***Our dependencies on “open source” software programs and platforms could impose limitations on our ability to commercialize our products and services, require us to re-engineer our products and services, or subject our proprietary software to general release.***

Certain products and services we offer to our clients incorporate open source software licensed without warranties, indemnification, or other contractual protections regarding infringement claims, security, upgrades or the quality of the code. Although we monitor our use of open source software to avoid subjecting our products to conditions we do not intend, the terms of many open source licenses have not been interpreted by United States or foreign courts, and there is a risk that these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our ability to commercialize our products and services. There can be no assurance that our processes for controlling our use of open source software in our products and services will be effective. If we are held to have breached the terms of an open source software license, we could be required to seek licenses from third parties to continue offering our products on terms that are not economically feasible, to potentially re-engineer or discontinue the sale of our products or to make generally available, in source code form, our proprietary software if we combine it with open source software in a certain manner, any of which could adversely affect our business, operating results, and financial condition. Further, if open source code that we utilize is no longer maintained, developed or enhanced by the relevant community of independent open source software programmers, most of whom we do not employ, we may be unable to develop new technologies, adequately enhance our existing technologies or meet customer requirements for innovation, quality and price.

***In India, the enforcement of intellectual property rights is not as robust as in 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, we cannot be certain that the steps we have taken will prevent unauthorized use of our intellectual property. Furthermore, 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. The competitive advantage that we derive from our intellectual property may also be diminished or eliminated. 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 expensive. 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. Also, there can be no assurance that, as our business expands into new areas, we will be able to independently develop the technology necessary to conduct our business or that we can do so without infringing on the intellectual property rights of others.

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. Further, we may be required to provide indemnification to clients for third-party breaches of intellectual property pursuant to our contracts with such parties.

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

A significant element of our business strategy is to continue to leverage and expand our offshore development centers in Bengaluru, Chennai, Hyderabad, Kolkata, Pune, Delhi, Mumbai and other cities in India, as well as near-shore development centers outside of India. We believe that the use of a strategically located network of software development centers provides us with cost advantages, the ability to attract highly skilled personnel from various regions of India and the world, the ability to service clients on a regional and global basis and the ability to provide services to our clients 24 hours a day, seven days a week. Part of our service model is to maintain active voice and data communications between our main office in Bengaluru, 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.

***The markets in which we operate are subject to the risks of earthquakes, floods and other natural disasters, the occurrence of which could cause our business to suffer.***

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 such disasters, we may sustain damage to our operations and properties, suffer significant financial losses and be unable to complete our client engagements in a timely manner, if at all. Further, in the event of a natural disaster, we may also incur costs in redeploying personnel and property. In addition, if any such natural disaster occurs in any of the locations in which our significant clients are located, we face the risk that our clients may incur losses or sustained business interruption which may materially impair their ability to continue their purchase of our products or services. If our clients are required to make significant investments on climate friendly solutions, our clients may incur higher compliance costs, which may adversely impact their IT spending. The long-term effects of climate change on the global economy or the IT industry, in particular, are unclear. A major earthquake, flood or other natural disaster including as a result of climate changes in the locations in which we operate could have a material adverse effect on our business, financial condition, results of operations and cash flows.

***It may be difficult for you to enforce any judgment obtained in the United States against us, our directors or executive officers 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 also 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 possible that a court in India may not 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 a foreign judgment 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 RBI under the Foreign Exchange Management Act, 1999, to execute such a judgment or to repatriate any amount recovered.

***Our stock price continues to be volatile.***

Our stock price is affected by factors outside our control. A share buyback program could also affect the price of our stock and increase volatility. Such volatility could negatively impact the perceived value and stability of our equity shares and ADSs. Further, the Indian stock exchanges have, in the past, experienced substantial fluctuations in the prices of their listed securities. The Indian stock exchanges, on which our equity shares are listed, including the BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”), have experienced problems that, if they continue or reoccur, could affect the market price and liquidity of the securities of Indian companies, including our equity shares and ADSs. These problems in the past included temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, disputes have occurred from time to time between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

***Any adverse change in India’s debt rating or our credit rating by a domestic or international rating agency could negatively impact our business and profitability.***

Any adverse revisions to India’s credit ratings for domestic and international debt or our credit rating by domestic or international rating agencies could adversely impact our ability to raise additional financing, as well as the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our access to debt market, results of operations and financial condition.

***There are risks associated with our outstanding and future indebtedness.***

There can be no assurance that our business, results of operations and financial condition will not be adversely affected by our incurrence of indebtedness. Our ability to pay interest and repay the principal for our indebtedness is dependent upon our ability to manage our operations and generate sufficient cash flows to service such debt. In addition, the agreements that govern the terms of our indebtedness may contain a number of restrictive covenants imposing significant operating and financial restrictions. In the event that we fail in the future to make any required payment under

the agreements governing our indebtedness or if we fail to comply with the financial and operating covenants contained in those agreements, we would be in default with respect to that indebtedness and the lenders could declare such indebtedness to be immediately due and payable, which could have an impact on our results of operations. There can be no assurance that we will be able to manage any of these risks successfully.

***The value of our unsecured notes due in 2026 may fluctuate.***

During the year ended March 31, 2022, we issued US\$ 750 million in USD-denominated, senior unsecured notes due in 2026 (the “Notes”) through Wipro IT Services LLC, a wholly owned step-down subsidiary of the Company. The Notes bear interest at a rate of 1.50% per annum and will mature on June 23, 2026. The value of the Notes fluctuates based on many factors, including the methods employed for calculating principal and interest, the maturity of the Notes, the aggregate principal amount of Notes outstanding, the redemption features for the Notes, the level, direction and volatility of interest rates, changes in exchange rates, exchange controls, governmental and stock exchange regulations and other factors over which we have little or no control.

**Risks Related to Legislation and Regulatory Compliance**

***Our global operations expose us to numerous and sometimes conflicting legal and regulatory requirements. 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, sanctions, government affairs, anti-corruption, anti-bribery, anti-money-laundering, anti-trust, whistle blowing, internal and disclosure control obligations, securities regulation, including environmental, social and governance (“ESG”) initiatives, data protection and privacy, labor relations, wage-and-hour standards, human rights and certain regulatory requirements that are specific to our clients’ industries. Non-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 exposure to 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. Many countries also seek to regulate the actions that companies take outside of their respective jurisdictions, subjecting us to multiple and sometimes competing legal frameworks in addition to our home country rules. 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 us and preserve our rights. We could also be subjected to risks to our reputation and regulatory action on account of any unethical acts by any of our employees, partners or other related individuals.

Some of our clients may operate in highly regulated sectors and/or geographies. Sanctions may be enforced on them or their key managerial personnel either before they become our clients or during the course of our work with them. While we take reasonable precautions to determine if a potential client is in the sanctioned list, our ability to screen and ensure we do not enter into contract with any such clients depends on the data available in the public domain or third party databases on sanctioned entities or personnel. If a client is subject to sanctions during the course of our work with them, such engagements may expose us to consequential sanctions, administrative action or loss of any government contracts or engagements.

We are subject to risks relating to compliance with a variety of national and local laws including multiple tax regimes, labor laws, and employee health, safety, wages and benefits laws. 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. We may also, from time to time, be subject to litigation resulting from claims against us by third parties, including claims of breach of non-compete and confidentiality provisions of our employees’ former employment agreements with such third parties or claims of breach by us of their intellectual property rights. Our failure to comply with applicable regulatory requirements could have a material adverse effect on our business, results of operations and financial condition.

Also, regulation and monitoring of the Indian securities markets and the activities of investors, brokers and other participants may differ as compared to that of the United States. The Securities and Exchange Board of India (“SEBI”) has prescribed regulations and guidelines in relation to corporate governance, disclosure requirements, insider dealing and other matters relevant to the Indian securities market. There may, however, be less publicly available information about Indian companies than is regularly made available by public companies in the United States.

***We may incur substantial costs for environmental regulatory compliance and other ESG initiatives.***

We are subject to various federal, state, local and foreign laws relating to protection of the environment. We may incur substantial fines, civil or criminal sanctions, including fines and sanctions against our directors and officers, or third-party claims for property damage or personal injury if we are held liable under environmental laws and regulations. Any failure to achieve our commitments to various ESG initiatives, including our goals

for sustainability and inclusion and diversity, could harm our reputation and adversely affect our client relationships, access to capital and long-term financial stability, or our recruitment and retention efforts. Our current compliance with environmental laws and regulations is not expected to have a material adverse effect on our financial position, results of operations or competitive position.

***Changes in corporate income tax rates and removal of Special Economic Zones (“SEZs”) and other benefits in India could result in an increase in our effective tax rate.***

Currently, we benefit from tax incentives under Indian tax laws. We qualify for a deduction from taxable income on profits attributable to our status as a developer of SEZs or from operation of units located in SEZs. The tax deduction for SEZ developers is available for any ten consecutive years out of fifteen years, commencing from the year in which the SEZ is notified. The tax deduction for a unit in an SEZ is equal to 100% of profits from the export of services for the first five years after the commencement of operations in the SEZ, and thereafter is equal to 50% of profits from the export of services for a subsequent period of ten years, subject to meeting specified re-investment conditions and earmarking of specified reserves in the last five years. This tax deduction will terminate if our operations are no longer located in an SEZ, fail to comply with rules required for an SEZ or fail to meet certain conditions prescribed under the Income-tax Act, 1961 (“**Income-tax Act**”) of India. These tax benefits of units are conditioned upon our ability to generate positive net foreign exchange within five years of the commencement of our operations in the SEZ. If we fail to generate positive net foreign exchange within five years, or thereafter fail to maintain it, we will be subject to penalties under the Foreign Trade (Development and Regulation) Act, 1992, or the Indian Foreign Trade Act. The maximum penalty that may be imposed is equal to five times the gross value of the goods and services that we purchase with duty exemptions. Per the provisions of Income-tax Act any new SEZ which commences operation on or after April 1, 2020, will not be entitled to any special tax exemption under section 10AA of the Income-tax Act. In the midst of COVID-19, this timeline was extended to March 31, 2021. Thus, any new SEZ which commences operation after March 31, 2021 will not be entitled to any special tax exemption, which may have the effect of increasing tax outflow in future.

We were subject to a Minimum Alternate Tax (“**MAT**”) at a fixed rate of approximately 17.47% until March 31, 2022 on our net profits as adjusted by certain prescribed adjustments. Where any tax is paid under MAT, such tax will be eligible for adjustment against regular income tax liability computed under the Income-tax Act of India, for the following fifteen years as MAT credit. If the MAT rate of taxation is increased, our financial results may be adversely affected.

In 2019, the GoI amended the Income-tax Act by enacting The Taxation Laws (Amendment) Ordinance, 2019, and has provided an option for companies to pay tax at a lower rate of 22% (plus surcharge and cess) by forgoing all the deductions available under Chapter VI-A and other profit-linked deductions under the Income-tax Act. This option, if exercised, is irrevocable and the corresponding MAT credit will lapse. We have evaluated the option and have decided to continue under the existing regime and not to avail ourselves of the lower tax rate. In the future, if we opt for the lower tax rate, it may lead to an increase in tax outflow and the MAT credit available will lapse.

The GoI, through the Finance Act, 2020, has abolished the dividend distribution tax which reduced our tax burden as the same is shifted to shareholders.

Further, provisions of section 115QA of the Income-tax Act for buyback of shares, which were initially applicable only to unlisted companies, have been extended to buyback of shares by listed companies through the enactment of Finance (No. 2) Act, 2019. In the future, for every buyback of shares, we will be liable to pay additional income tax on the distributed income, which will result in additional cash outflow. Currently the rate of tax on buyback of shares is 20% (plus surcharge and cess).

***You may be subject to Indian taxes arising out of capital gains on the sale of the shares.***

Under the Finance Act, 2018, gains of more than ₹ 1 lakh from sale of shares after April 1, 2018 held over one year will be taxed. Furthermore, any gain realized on the sale of the Shares held for a period of 12 months or less is subject to capital gains tax in India. See Item 10 of this annual report on Form 20-F for further information on the application of capital gains tax in India to our shareholders and ADS holders. Investors are advised to consult their own tax advisers and to carefully consider the potential tax consequences of an investment in shares and ADSs.

***We operate in jurisdictions that impose transfer pricing and other tax related regulations on us, and any changes in the regulations or 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 local authorities. In the event that we do not properly comply with transfer pricing and tax-related regulations, our profitability may be adversely affected. The Finance Act 2012 extended the applicability of transfer pricing regulations to domestic transactions entered into with related parties and certain specified transactions. However, Finance Act, 2017 has omitted the clause which dealt with any expenditure in respect of which payment has been made or is to be made to a person referred to in clause (b) of subsection (2) of section 40A of the Income-tax Act.

Section 59A of the Tax Cuts and Jobs Act of 2017 imposes a tax equal to the “base erosion minimum amount” on certain “applicable taxpayers.” This may have an impact on payments made to non-US corporations if they don’t meet the exemption criteria.

Taxation laws are susceptible to frequent changes. Increase in tax rates in any of the major countries that we operate in could materially affect our Effective Tax rates. For instance, the corporate tax rates in UK has been increased from 19% to 25% effective 2023. The overall tax environment has made it increasingly challenging for multinational corporations to operate with certainty about taxation in many jurisdictions. For example, some countries are unilaterally amending their tax laws to adopt the new guidelines by The Organization for Economic Cooperation and Development. In India, changes in taxation law are announced on an annual basis in February, when the Union Budget is presented. These changes in law may affect the accuracy of our estimated tax obligations, or the obligations of holders of our equity shares and ADSs. Significant judgment is required in determining our worldwide provision for income taxes and other tax liabilities. We are regularly under audit by tax authorities and those authorities may not agree with positions taken by us on our tax returns. Although we believe that our estimates are reasonable, there is no assurance that the final determination of tax audits or tax disputes will not be different from what is reflected in our historical income tax provisions and accruals.

***Our ability to invest outside India, including acquiring companies organized outside India, depends on the approval of the Government of India and/or the RBI. Our failure to obtain approval from the Government of India for the acquisition of companies organized outside India may restrict our international growth, which could negatively affect our revenue.***

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

- if the transaction consideration is paid in cash, up to 400% of the net worth of the acquiring company as per its latest audited financial statement; or
- 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, Global Depositary Receipts, External Commercial Borrowings or Foreign Currency Convertible Bonds.

However, any financial commitment exceeding US\$ 1 billion or its equivalent in a financial year would require prior approval of the RBI even if the total financial commitment of the Indian party is within 400% of the net worth as per its latest audited financial statements. Further, our investments in foreign operations may be subject to restrictions imposed by the RBI. We cannot assure you that any necessary approval from the RBI or the Ministry of Finance or any other Government agency can be obtained. Our failure to obtain such approvals from the GoI for acquisitions of/investments in companies organized outside India may restrict our international growth, which could negatively affect our revenue.

#### **Risks Related to the ADSs**

***Political, social and economic developments in and affecting India may affect the prices of our equity shares and ADSs.***

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, GoI policies such as taxation and foreign investment policies, GoI currency exchange control and changes in exchange rates and interest rates.

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

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

The GoI has notified implementation of the Depository Receipts Scheme, 2014, which permits liberalized rules for sponsored and unsponsored secondary market issue of depository receipts up to the sectorial cap of foreign investment as per the prescribed regulations. SEBI introduced a framework for issuance of depository receipts by companies listed or to be listed in India (“**DR Framework**”), through its circular dated October 10, 2019. The DR Framework, as amended from time to time, sets out requirements for issuance of depository receipts in addition to the requirements under the Companies Act, 2013 and rules thereunder, the Depository Receipts Scheme, 2014 and the foreign exchange regulations.

Regulators like the RBI, Ministry of Corporate Affairs (“MCA”), Ministry of Finance and SEBI have also issued guidelines and regulations to operationalize the framework for issuance of depository receipts by listed entities. Further amendments and requirements may also be notified from time to time. Once the regulations are fully operationalized, our shares can be freely convertible into depository receipts, which would impact the share price and available float in the Indian stock exchanges as well as the price and availability of ADSs on the New York Stock Exchange (the “NYSE”).

***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 RBI must approve the sale of equity shares underlying ADSs by a non-resident of India to a resident of India. The RBI has given general permission to effect sales of existing shares or certain other capital instruments 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 Indian 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 additional approval from the RBI for each transaction. Required approval from the RBI or any other government agency may not be obtained on terms which are favorable to a non-resident investor or may not be obtained at all.

Pursuant to the provisions of the Companies Act, 2013, where the name of a person is entered in the register of members as a registered owner of shares but such person does not hold the beneficial interest in such shares, both the registered owner and the beneficial owner of such equity shares are required to disclose to the company the nature of their interest, particulars of the person in whose name the shares stand registered in the books of company and certain other details. Investors who exchange ADSs for the underlying equity shares of the company may be subject to the provisions of the Companies Act, 2013 and to the disclosure obligations that may be necessary pursuant to the Depository Agreement. Any person who fails to comply with beneficial ownership disclosure requirements under Companies Act, 2013 may be liable for a fine of up to ₹ 50,000 and where failure is a continuing one, with a further fine up to ₹ 1,000 for each day such failure continues, subject to a maximum of ₹ 200,000. 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. Such restrictions may change in the future, including under the Depository Receipt Scheme, 2014 and the DR Framework, and may affect the trading value of our ADSs relative to our equity shares.

***The price of our ADSs and the U.S. Dollar value of any dividends we declare may be negatively affected by fluctuations in the U.S. Dollar to Indian Rupee exchange rate.***

Our ADSs trade on the NYSE in U.S. Dollars. Since the equity shares underlying the ADSs are listed in India on the BSE and the NSE and trade in Indian Rupees, the value of the ADSs may be affected by exchange rate fluctuations between the U.S. Dollar and the Indian Rupee. In addition, dividends declared, if any, are denominated in Indian Rupees, and therefore the value of the dividends received by the holders of ADSs in U.S. Dollars will be affected by exchange rate fluctuations. If the Indian Rupee depreciates against the U.S. Dollar, the price at which our ADSs trade and the value of the U.S. Dollar equivalent of any dividend will decrease accordingly.

***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, including by the Depository Receipts Scheme, 2014 and the DR Framework. 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.***

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 accuracy 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.

***Holders of ADSs are subject to the Securities and Exchange Board of India's Takeover Code with respect to their acquisitions of ADSs or the underlying equity shares, and this may impose requirements on such holders with respect to disclosure and offers to purchase additional ADSs or equity shares.***

The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (the “**Takeover Code**”) is applicable to publicly listed Indian companies such as Wipro and to any person acquiring our equity shares or voting rights in our company, including ADSs.

Under the Takeover Code, persons who acquire 5% or more of the shares of a company are required, within two working days of such acquisition, to disclose the aggregate shareholding and voting rights in the company to the company and to the stock exchanges on which the shares of the company are listed.

Additionally, holders of 5% or more of the shares or voting rights of a company who acquire or dispose of shares representing 2% or more of the shares or voting rights of the company must disclose, within two working days of such transaction their revised shareholding to the company and to the stock exchanges on which the shares of the company are listed. This disclosure is required even if the transaction is a sale which results in the holder's ownership falling below 5%. The Takeover Code may also impose conditions that discourage a potential acquirer, which could prevent an acquisition of our company in a transaction that could be beneficial for our equity holders.

***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 Companies Act, 2013, 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 the 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 the Company would be diluted.

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

At our request, the Depositary will mail to you any notice of shareholders' meeting received from us along with information explaining how to instruct the Depositary to exercise the voting rights of the securities represented by ADSs. If the Depositary receives voting instructions from you prior to such shareholders' meeting, 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 Depositary 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 Depositary 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 including share buyback programs in which the Company buys back equity shares. Because ADS holders may not directly participate in the share buyback program, a notice of such program must be mailed to all ADS holders in advance of the program in order to give the ADS holders who want to participate, the opportunity to convert their ADSs into equity shares.

***We may be classified as a passive foreign investment company, which could result in adverse U.S. 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 (“**PFIC**”) for U.S. federal income tax purposes for our current taxable year ended March 31, 2022. 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 U.S. holder held an equity share or an ADS, certain adverse U.S. federal income tax consequences could apply to the U.S. holder. See “Taxation—Material United States Federal Tax Consequences—Passive Foreign Investment Company.”

## **Generic Risks**

***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 reporting obligations under 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.

We recognize that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and our management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. 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 NYSE or other regulatory authorities. Any such action could adversely affect the accuracy and timeliness of our financial reporting.

***Changes in financial reporting standards, management's use of accounting estimates may affect our operating results and financial position.***

To comply with IFRS, management is required to make various accounting estimates, judgments and assumptions. The facts and circumstances on which management bases these estimates, judgments, assumptions, 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 an 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, liabilities, income, expenses or cash flows. For a summary of significant accounting policies, refer to Note 3 of the Notes to the Consolidated Financial Statements section.

***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, NYSE rules, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("**Insider Trading Regulations**"), the Indian Companies Act, 2013 ("**Companies Act, 2013**") and the Foreign Exchange Management Act, 1999 are creating uncertainty for companies like ours and adding complexity to our corporate compliance regime. 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.

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 significant management time and attention. In addition, the new laws, regulations and standards regarding corporate governance may make it more difficult for us to obtain or maintain directors' and officers' liability insurance. Further, our board members, chief executive officer and chief financial officer could face an increased risk of personal liability in connection with the performance of their duties. As a result, we may face difficulties attracting and retaining qualified board members and executive officers, which could harm our business. In certain instances, the compliance requirements under the SEBI Listing Regulations, Companies Act, 2013, and the rules under the NYSE are more onerous than those under the Sarbanes-Oxley Act of 2002. For example, our Board of Directors is required to state that they have established internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively. Additionally, under the SEBI Listing Regulations, the Chief Executive Officer, the Managing Director or a full time director appointed under the Companies Act, 2013 and the Chief Financial Officer are required to certify to the Board that (i) they accept responsibility for establishing and maintaining internal controls for financial reporting, (ii) that they have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting, and (iii) they have disclosed to the auditors and the Audit Committee any significant changes in internal control over financial reporting during the year, instances of significant fraud of



which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

Furthermore, with respect to material related party transactions, the Company is required to obtain approval from its non-controlling shareholders if the controlling shareholders are related parties. Obtaining the approval of non-controlling shareholders is not guaranteed and may be time consuming, which could affect the Company's ability to carry out the decisions of the Board of Directors in a timely manner.

If we fail to comply with new or changed laws or regulations and standards, or unintentionally disclose unpublished price sensitive information, our business and reputation may be harmed.

***The COVID-19 global pandemic has had a significant and continuing adverse impact on our business and results of operations.***

The ongoing global COVID-19 pandemic has caused and continues to cause significant loss of life and has resulted in curtailment of economic activities across the world as local administrations and governments seek to limit spread of the disease, including through lockdown policies, restriction on business activities and business shutdowns. Among other things, many of our and our clients' offices have been closed and employees have been working from home and many customer-facing businesses have closed or are operating at a significantly lower capacity to observe various social distancing requirements and government-mandated COVID-19 protocols. This may adversely impact the demand for our offerings, our service delivery and our business in certain sectors, countries and service offerings.

The majority of our clients are based in the United States, the United Kingdom and other countries in Europe, all regions that have been significantly impacted by the pandemic. The conditions caused by the COVID-19 pandemic have affected and can continue to affect the rate of customer spending, including through cancellations or ramp-downs of existing projects, customers' decreased ability or willingness to purchase our offerings, delays to prospective customers' purchasing decisions and requests by customers for price discounts, all of which has affected and can adversely affect our future revenues, operating results and overall financial performance.

Further, macroeconomic conditions caused by COVID-19 may result in financial difficulties for our clients, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause clients to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables (including contract assets and unbilled receivables) and negatively impact our liquidity and cash generated from operations.

Our operations have been affected and may continue to be affected by a range of external factors related to the COVID-19 pandemic that are not within our control. Due to the closure of many of our and our clients' facilities, including as a result of various orders from local administrations or governments, we may face challenges in delivering services to our clients and cause significant disruptions to our operations. The pandemic, particularly in India and other countries where we have near-shore or offshore delivery operations for clients and offices of clients where our employees normally work, may impact our ability to deliver services to clients. As many of our employees continue to work from home, we may be exposed to additional cyber or ransomware attacks despite having strong cyber security controls in place. We face increased costs from the pandemic, including as a result of mitigation efforts such as enabling increased work-from-home capabilities and additional health and safety measures. If the COVID-19 pandemic continues to have a substantial impact on our employees', partners' or customers' attendance or productivity or employee morale, our results of operations and overall financial performance may be harmed, and the recoverable value of our assets may be significantly reduced, which may result in impairment loss. Moreover, as social and economic conditions continue to evolve due to the ongoing COVID-19 pandemic, current and prospective employees may seek new or different opportunities based on factors such as benefits, mobility and flexibility that are different from what we offer, making it difficult to attract and retain talent. Further, COVID-19, and the volatile regional and global economic conditions stemming from the pandemic, could precipitate or aggravate the other risk factors that we identify in this report, any of which could materially adversely impact our business.

Addressing the significant challenges presented by the pandemic, including various business continuity measures and the need to enable work-from-home arrangements for many of our employees, has demanded significant management time and attention and strained other corporate resources.

The COVID-19 pandemic continues to evolve as countries are facing new waves of outbreaks. The ultimate extent to which the pandemic impacts our business, liquidity, results of operations and financial condition will depend on future developments, which are highly uncertain and cannot be predicted at this time, including the delivery and effectiveness of vaccines, future mutations of the COVID-19 virus and any resulting impact on the effectiveness of vaccines, the duration and extent of the pandemic and waves of infection, travel restrictions and social distancing, the duration and

extent of business closures and business disruptions and the effectiveness of actions taken to contain, treat and prevent the disease. If we are not able to respond to and manage the impact of such events effectively, our business or the price of our equity shares or ADSs may be adversely impacted.

## Item 4. Information on the Company

### Company Overview

Wipro Limited is a leading global information technology (“IT”), consulting and business process services company. We harness the power of cognitive computing, hyper-automation, robotics, cloud, cybersecurity, engineering services, 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, a strong commitment to sustainability and good corporate citizenship, we have over 240,000 dedicated employees (including support functions) serving clients across six continents. Together, we discover ideas and connect the dots to build a better, bolder future.

### History and Development of the Company

Wipro 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, 2013. Today, Wipro is a public limited company deemed to be registered under the Companies Act 2013, and is registered with the Registrar of Companies, Bengaluru, Karnataka, India as Company No. 20800. In 1946, we held our initial public offering in India of our equity shares. In October 2000, we raised capital in the initial U.S. public offering of ADSs that were listed on the NYSE. We are listed on the NSE and BSE in India and Wipro’s ADSs are listed on the NYSE. Wipro is a constituent of the Nifty and the NYSE TMT Indices. Our registered office is in Bengaluru, India. The senior management operates from local offices in key regions of operations such as North America, Europe, the United Kingdom, Australia, Latin America and Asia as well as from Bengaluru, India.

We began business as a vegetable oil manufacturer in 1945 in Amalner, Maharashtra, India and later expanded into manufacturing soaps and other consumer care products. During the late 1970s and early 1980s, under the leadership of Azim H. Premji, the company further expanded into the IT industry in India. We began selling personal computers in India in 1985. In the 1990s, the company leveraged its hardware expertise and began offering software services to clients across the world. During the 2000s, our IT business scaled significantly by acquiring new clients, scaling relationships with existing customers and acquiring capabilities in emerging technologies, assets in focus markets and local talent in new geographies. In 2013, we demerged our non-IT business segments to focus solely on our IT business.

Over the last few years, we have transformed our portfolio of services to focus on areas such as digital, cloud, engineering services and cyber security by investing in new technologies organically as well as through acquisitions. Our range of services includes digital strategy, customer-centric design, consulting, infrastructure services, business process services, research and development, cloud, mobility and advanced analytics and product engineering. We offer our customers a variety of commercial models including time and material, fixed price, capacity based, pay-per-use, as-a-service and outcome-based models. We offer all of these services and models globally by leveraging our proprietary products, platforms, partnerships and solutions, including state of the art automation technologies such as our proprietary cognitive intelligence tool, Wipro HOLMES Artificial Intelligence Platform (“**Wipro HOLMESTM**”).

Our logo represents the deep connectedness between people, ideas, communities and the environment. We believe the synergy among these various elements is what drives transformation at Wipro. Our brand promises to bring a pioneering, entrepreneurial, innovative spirit to solve complex business problems for our customers.

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

- Be passionate about clients’ success;
- Treat each person with respect;
- Be global and responsible; and
- Have unyielding integrity in everything we do.

While our company has transformed many times over the years, the Spirit of Wipro and our core values, have remained constant. We have introduced the ‘Five Habits’, which are our values in action:

- Being respectful;
- Being responsive;
- Always communicating;
- Demonstrating stewardship; and
- Building trust.

So far, over 28,000 employees globally have been part of 92 immersive and interactive workshops on the Five Habits.

Our business is comprised of the IT Services, IT Products and ISRE segments.



During the year ended March 31, 2021, Wipro Limited adopted a new organizational structure designed to simplify our go-to-market execution and ensure sector focus and growth in non-US markets. The previous structure of multiple delivery units has been replaced by a simplified model designed to bring the best of Wipro closer to our customers. This model consists of four Strategic Market Units (“SMUs”) and two Global Business Lines (“GBLs”). The four SMUs are Americas 1, Americas 2, Europe, and APMEA.

We organize our customer-facing functions of sales, marketing and business development into teams that focus primarily on the four SMUs and service offerings, enabling us to deliver services to customers based on deep domain insight. Our customer-facing functions in each SMU are predominantly locally staffed.

The ISRE segment consists of IT services offerings to entities and/or departments owned or controlled by the GoI and/or any Indian State Governments (“ISRE Customers”). During the year ended March 31, 2019, we carved out ISRE as a separate segment from our global IT Services business. We made this decision because we changed our strategy for providing services to ISRE Customers. Historically, projects in our ISRE business have been primarily system integration (“SI”) projects that have complex deliverables and, compared to our IT Services segment, longer working capital cycles and different downstream processes, including billing and collections. Most ISRE deals come in the form of a tender process, with little room to negotiate the terms and conditions. We have pivoted our ISRE strategy to focus more on consulting and digital engagements and to be selective in bidding for SI projects with long working capital cycles.

There has not been any indication of any public takeover offers by third parties in respect of the Company’s shares or by the Company in respect of other companies’ shares during the last and current fiscal years.

Wipro Limited’s registered office is located at Doddakannelli, Sarjapur Road, Bengaluru, Karnataka 560 035, and the telephone number of the registered office is +91-80-28440011. Our website is <https://www.wipro.com>. The name and address of Wipro’s registered agent in the United States is C T Corporation System, located at 28 Liberty Street, New York, New York 10005. The SEC maintains a website at [www.sec.gov](http://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.

## Capital Expenditures and Divestitures

### *Acquisitions (“M&A”)*

In the last three fiscal years, we have completed several mergers and acquisitions, including the acquisitions of:

- Capco and its subsidiaries (“**Capco**”), a global management and technology consultancy company providing digital, consulting and technology services to financial institutions in the Americas, Europe and the Asia Pacific;
- Ampion Holdings Pty Ltd and its subsidiaries (“**Ampion**”), a provider of cyber security, DevOps and quality engineering services;
- Edgile, LLC (“**Edgile**”), a transformational cybersecurity consulting provider that focuses on risk and compliance, information and cloud security, and digital identity;
- LeanSwift Solutions Inc. and its subsidiaries (“**LeanSwift**”), a system integrator of Infor Products for customers across the Americas and Europe;
- Eximius Design, LLC and Eximius Design India Private Limited, a leading engineering services company with expertise in semiconductor, software and systems design;
- Encore Theme Technologies Private Limited, a Finastra trade finance solutions partner across the Middle East, Africa, India and Asia Pacific;
- 4C NV and its subsidiaries, a Salesforce multi-cloud partner in Europe, U.K. and the Middle East;
- IVIA Serviços de Informática Ltda., a specialized IT services provider to financial services, retail and manufacturing sectors in Brazil;
- Rational Interaction, a full-service digital customer experience solutions firm that brings the strategic capabilities of a consultancy together with the creative and digital prowess of an agency;
- International TechneGroup Incorporated, a global digital engineering and manufacturing solutions company and a world leader in computer aided design and product lifecycle management interoperability software services.

In April 2022, we acquired Convergence Acceleration Solutions, LLC (“**CAS Group**”), a US-based consulting and program management company that specializes in driving large-scale business and technology transformation for Fortune 100 communications service providers.

In May 2022, we acquired Rizing Intermediate Holdings, Inc and its subsidiaries (“**Rizing**”), a global SAP consulting firm with industry expertise and consulting capabilities in enterprise asset management, consumer industries, and human experience management. Rizing has more than 1300 employees in 16 countries across North America, Europe, Asia, and Australia.

## *Divestitures*

During the year ended March 31, 2022, we sold our investment in Denim Group, Ltd. and Denim Group Management, LLC (“**Denim Group**”), which is accounted for using the equity method.

During the year ended March 31, 2020, we sold our remaining 11% equity holding in Wipro Airport IT Services Limited, which was a joint venture between Wipro Limited and Delhi International Airport Limited, to Antariksh Softtech Private Limited. Consequently, the joint venture agreement was terminated.

Please see Note 7 of the Notes to the Consolidated Financial Statements for additional information regarding our acquisitions and Note 26 of the Notes to the Consolidated Financial Statements for additional information about our divestitures.

## *Capital Expenditure*

We incurred total cash outflow of, ₹ 23,497 million, ₹ 19,577 million and ₹ 20,153 million during the fiscal years ended March 31, 2020, 2021 and 2022, respectively. We incurred these capital expenditures primarily on new software development facilities in India and investments in IT assets. As of March 31, 2022, we had contractual commitments of ₹ 11,376 million related to capital expenditures on construction or expansion of software development facilities and investments in IT assets. We expect these expenditures to be funded largely through cash generated from operations, existing investible surplus in the form of cash and cash equivalents, short-term investments and other external financing sources.

## **Industry Overview**

### *IT Services*

Various industries across the world have struggled to adapt to the extraordinary circumstances caused by the COVID-19 pandemic. While the pandemic affected economies and industries, economies are experiencing a strong but unbalanced recovery. With increased consumer spending, the IT industry recorded its highest year-on-year growth ever. The pandemic has rapidly accelerated digital transformation for many organizations and has led to the adoption of digital business models driven by online customer service, remote working, supply chain reinventions and automation for operational excellence. This disruption has created space for organizations across industries to drive innovation in services and products such as telehealth, online shopping experience enhanced with augmented reality (“**AR**”) / virtual reality (“**VR**”), digital payments, and virtual learning solutions. Consumers are more inclined to use digital services like digital payments, digital shopping (retail, e-commerce and housing sector) and digital healthcare. While the IT industry is witnessing unprecedented demand, supply remains constrained and talent recruitment and retention continues to be a key concern along with current geo-political situation and rising inflation.

Global IT service providers offer a range of end-to-end software development, digital services, IT business solutions, research and development services, technology infrastructure services, business process services, consulting and related support functions. The IT services industry is expected to accelerate and drive decisions in the year 2022 based on investments made by clients in customer experience programs, digital transformation, employee experience and engagement, ESG initiatives and hybrid operating models.

According to the Strategic Review 2022 published by NASSCOM (the “**NASSCOM Report**”), the Indian technology sector is estimated to witness a growth of 15.5% to reach approximately US\$ 227 billion revenue in fiscal year 2022 (excluding e-commerce). Exports (including hardware) are estimated to grow at 17.2% to reach approximately US\$ 178 billion in fiscal year 2022 and the domestic sector is forecasted to reach approximately US\$ 49 billion in fiscal year 2022, growing at approximately 10%.

Companies are investing in large and complex cloud migration and transformation programs, creating multi-year opportunities for consulting services and implementation. Due to increased demand for hyper personalized products and services, next generation technologies such as data and AI, mixed reality, digital engineering, blockchain, multi-cloud, cybersecurity, edge computing and 5G is expected to continue to grow exponentially.

With accelerated rates of vaccination and reduction in mobility restrictions, most economies are expected to reach pre-pandemic levels. While consumption demand has improved, the recovery is uneven due to factors like imbalanced labor markets, global supply chain disruptions, geo-political conflicts, inflation and a dearth of talent. The continuous increase in demand for skilled talent has been building pressure on IT services providers amidst a significant increase in hiring, salary hikes and higher subcontracting costs. While there is no direct impact on business from the ongoing geo-political conflict between Russia and Ukraine, we continue to monitor these developments.

A focus on ESG parameters is emerging as a new differentiator, with the pandemic accelerating ESG adoption across the globe. It has become an important consideration for IT services provider selection. Clients expect providers to not only meet global standards on ESG, but also help them make progress on their ESG goals across key themes such as climate change, diversity and inclusion, corporate governance and cybersecurity.

Please see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Trend Information” in Item 5 for more information on the effects of COVID-19 and recent geo-political conflicts on our business.

### *IT Products*

The key components of the hardware industry are servers, desktops, notebooks and tablet computers, storage devices, peripherals, printers and networking equipment. According to the NASSCOM Report, the domestic market in India for hardware is estimated to be US\$ 16.6 billion in fiscal year 2022 and overall revenue for the hardware industry is expected to be US\$ 17 billion in fiscal year 2022. The growth is expected to be driven by the personal computer segment due to online learning and remote working models.

### *ISRE*

The COVID-19 pandemic has been a catalyst in accelerating the GoI’s digitalization initiatives, with increased IT spending driven by the Digital India initiative focused around citizen experience and digital inclusion.

The digitalization of the GoI’s legacy systems will be a major reason for its IT spending growth in the year 2022, improving the overall digital maturity of India’s government organizations.

We, therefore, see opportunities in the government sector around cloud adoption, digital workplace and business continuity solutions, business intelligence and data analytics, automation, responsible AI and blockchain, along with improved data privacy and data sharing tools.

### **Business Overview**

Celebrating over 75 years of innovation, Wipro is a purpose-driven, global technology services and consulting firm with over 240,000 employees in more than 56 countries helping our customers, communities and planet thrive in the digital world.

We are recognized globally for our strong commitment to sustainability. We nurture inclusivity as an intrinsic part of Wipro’s culture. Our deep resolve to improve the communities we live and work in, is appreciated by our customers, investors, analysts and employees.

We are technologists, designers, strategists and business partners, who share an unwavering commitment to achieving our customer’s ambitions and creating a humane, sustainable and resilient future for all. Our recognized capabilities across 26 industry segments in digital strategy, Wipro FullStride cloud services, engineering, AI and cybersecurity have established us as a trusted leader in orchestrating transformation.

Wipro’s holistic portfolio of capabilities and ability to navigate vertically and horizontally across ecosystems helps our clients achieve differentiation and competitive advantage. Our focus is to maximize business outcomes by converging themes across industry domains, products, services, and partners as we develop and deliver tailored business solutions for our clients.

We help orchestrate the transformation journey for our clients by bringing together technology, industry expertise and ecosystems to solve complex problems and deliver value through holistic business solutions that drive outcomes. Our simplified operating model and integration of consulting and technology practices strengthens our ability to deliver such solutions effectively and at scale. We are focused towards building long-term relationships with customers and tightly aligned visions and outcomes structured through a highly governed and co-managed engagement process.

The rise of ESG factors is redefining and elevating sustainability across industries. We are a founding member of the ‘Transform to Net Zero’ initiative and are committed to contribute to the goal of planetary zero-carbon emissions. We are also committed to bringing our expertise in strategy, design, and technology to help transform our customers and sectors of the global economy to sustainable business models, products, services and ecosystems.

Our IT Services segment provides a range of IT and IT-enabled services which include digital strategy, customer-centric design, consulting, infrastructure services, business process services, research and development, cloud, mobility and advanced analytics and product engineering to leading enterprises worldwide.

Our IT Products segment provides a range of third-party IT products, which allows us to offer comprehensive IT system integration services. These products include computing, platforms and storage, networking solutions, enterprise information security and software products, including databases and operating systems. We provide IT products as a complement to our IT services offerings rather than sell standalone IT products, and our focus continues to be on consulting and digital engagements, with a more selective approach in bidding for SI engagements.

Our ISRE segment consists of IT Services offerings to organizations owned or controlled by the GoI and/or any Indian State Governments. Our ISRE strategy focuses on consulting and digital engagements, and we are selective in bidding for SI projects with long working capital cycles.

## **Our Business Strategy**

Our vision is to:

- be a trusted partner to our clients in their transformation journey and enable them in achieving leadership in their respective industries;
- deliver value to our clients as part of their transformation journey through sector focused ‘Business Solutions’, ‘Digital’ and ‘Technology’ capabilities, cutting edge innovation, leveraging our strategic partnerships and our world class talent; and
- stay resolute in our commitment to the societies and communities in which we live and work.

It is our ambition to be the ‘orchestrator of choice’, where we bring together entire ecosystems, technologies, partners, and hyper-scalers to solve complex business and technology problems for our clients.

We aim to be a true global leader in our industry, one that is fast-growing, dynamic, and innovative, is constantly reinventing itself and is attracting the best talent from different industries.

We aim to realize our ambition through our strategy, which is defined in the context of five strategic priorities: accelerate growth, strengthen clients and partnerships, lead with business solutions, building talent at scale and a simplified operating model.

### **1. Accelerate growth – focus and scale**

Our choice of sectors in a market is being driven by both market attractiveness and by Wipro’s competitive positioning and strengths. We have prioritized specific sectors in chosen geographies and markets, and we will accelerate efforts to drive market leadership in these areas.

The Americas and UK continue to be large and key focus markets for us. Strong growth plans are driving our ambitions for Europe and APMEA.

Five out of seven sectors in the Americas grew more than 18% year-on-year during fiscal year 2022. Markets such as Germany and Southern Europe have grown over 1.5x in size and Benelux and UK grew more than 20% year-on-year during fiscal year 2022. Australia, New Zealand, Japan and South East Asia grew more than 15% year-on-year during fiscal year 2022.

### **2. Strengthen clients and partnerships**

We have four anchors for our growth. First, our portfolio of large clients; second, winning large deals; third, accelerating growth through our partnerships; and fourth, inorganic growth through M&A.

We are accelerating growth by strongly aligning our organization around our key customers. Each of them has a Global Account Executive (“GAE”) – a senior leader representing and taking the best of Wipro to the customer. GAEs are supported by a team of industry and technology specialists and delivery leaders; for growing these accounts.

We are significantly focusing on large deal origination and winning. We have invested in a specialized large deals team, consisting of deal principals, financial and commercial modelers, experienced consultants and program directors.

In fiscal year 2022, our top five and top ten IT Services customers grew 31.5% and 30.5% year-on-year, respectively. We have added eight more accounts with revenue of US\$ 100 million or more. Our large deal total contract value in fiscal year 2022 was at US\$ 2.3 billion and overall order bookings in ‘Annual contract value’ grew 30% year-on-year.

We are co-investing, co-innovating, and co-creating with hyper-scalers and industry leading platform players such as Amazon Web Services (“AWS”), Microsoft, Google, Salesforce, SAP and ServiceNow to drive leading-edge solutions. Together with our partners, we are witnessing great traction in areas like cloud-led modernization, AI, machine learning (“ML”), industry and context-specific digital solutions, and cloud-native architectures.

We are also bringing cutting edge capabilities from the ecosystem to our clients through Wipro Ventures investments in early to mid-stage start-ups building innovative enterprise solutions and our academia partnerships. As of March 31, 2022, Wipro Ventures manages nineteen active investments. In addition to direct equity investments in emerging startups, Wipro Ventures has invested in eight enterprise-focused venture funds: B Capital, Boldstart Ventures, Gilot Capital Partners, Nexus Venture Partners, Sorenson Ventures, SYN Ventures, TLV Partners and Work-Bench Ventures.



Mergers and acquisitions are an integral part of our business strategy because acquisitions help us leapfrog in strategic areas. Our goal is to fast-track capability building in emerging areas and accelerate our access and footprint in identified markets. With a strong post-merger integration focus, we are committed to driving synergies and effectively integrating acquisitions. In the last few quarters, we have closed several acquisitions in US, Europe, Latin America, Australia and India, including our acquisitions of Capco (our largest acquisition to date), Ampion, Edgile, LeanSwift, CAS Group and Rizing. Capco had double-digit growth in fiscal year 2022 and together, we had over 60 synergy wins across markets. These acquisitions have strengthened our local presence, enhanced our capabilities, and significantly improved our positioning in key markets and segments.

### **3. Lead with business solutions**

We are focused on building and multiplying business solutions that solve business and technology problems for our clients.

Wipro's FullStride cloud services is an example where we have stitched together our portfolio of cloud offerings, talent, capabilities, and Cloud Studio assets under one umbrella to better orchestrate the cloud journey for our clients. We continue to make strategic investments in high-growth areas like data and AI, cybersecurity and engineering.

We are accelerating investments and focus on building industry-specific solutions and services. A few examples of solutions we have built for our clients include digital bank of the future, core modernization for a telecom company for faster 5G deployment, and Open Subsurface Data Universe platform for oil and gas.

### **4. Building talent at Scale**

We have a contemporary and diverse senior leadership, including in our client-facing GAE roles. We have moved our leadership closer to clients. Our leadership team has a good mix of lateral hires, and internally promoted high-performing leaders. Throughout our organizational transformation, we have continued to reinforce the spirit and values of our company.

We continue to invest in building world class talent in areas such as front-end, consulting, architects, domain, and cutting-edge technologies such as AI, data sciences, cybersecurity and engineering. For example, we have built a workforce of specialists in cybersecurity called 'CyberSecurists' who not only bring in cyber technical expertise but are subject-matter experts in industry leading vendor-solutions.

Reskilling and building onsite scale in digital and next-generation capabilities is critical. Our talent transformation programs are modelled on 'Anytime, Anywhere' learning, social and community learning, mentoring networks, and talent champions. We are evolving our Topcoder platform to become Talent Cloud that will enable enterprises anytime, anywhere access to top talent across the world and in turn, provide the talent with a "world of options".

We are committed to significantly improving gender and ethnic diversity in our leadership ranks. Our ethnic diversity in senior leadership roles has increased by 24 percentage points in the last 21 months. We have hired over 50 women in senior leadership roles during fiscal year 2022, which is two times the number of women hired for senior leadership roles in fiscal year 2021.

We are relentlessly driving a cultural transformation to build an organization that is bold, that drives a high-performance mindset, and nurtures diverse ideas and teams. Our Five Habits fuel this transformation and provide the foundation for who we are, how we act and how we grow.

### **5. Simplified operating model**

Our operating model is anchored in sectors and markets. Our four SMUs (Americas 1, Americas 2, Europe and APMEA) are the primary axis for our go-to-market strategy.

- The Americas 1 and Americas 2 SMUs are structured by sectors; and
- The Europe and APMEA SMUs are structured by countries, with dedicated focus on identified sectors.

We have consolidated synergistic capabilities and offerings under the two GBLs:

- iDEAS, comprising of Integrated Digital, Engineering and Application Services; and
- iCORE, which is Infra Cloud, Operations, and Risk and Enterprise Cybersecurity.

Delivery, capabilities and solutions and horizontal specialists are owned by GBLs. Part of this construct is a strong global domain and consulting capability organization that collaborates with market units in bringing industry and consulting capabilities to our clients. From a client standpoint, our model ensures adequate sector and domain-focus in our go-to-market and execution. This enables focused growth, combines global expertise with local geography-focus in building capabilities, and ensures dedicated sales presence led by proximity to clients.

We are also focusing our investments on driving a future-ready sales operating model with focused account segmentation, clear sales roles that drive impact and flying formation in deal pursuits that enable us to win and service our clients effectively.

A key element of our simplified operating model is about driving delivery excellence. Core to this is our focus on workforce transformation, program management and the new ways of working.

## Operating Segment Overview

Our business comprises of the IT Services, IT Products and ISRE segments. The ISRE segment consists of IT services offerings to ISRE Customers. Our revenues for the last three fiscal years by business segment are as follows:

	Year ended March 31,		
	2020	2021	2022
	(₹ in millions)		
IT Services	593,798	605,815	781,824
IT Products	11,657	7,685	6,173
ISRE	7,950	8,912	7,295
Reconciling items	(4)	13	(3)
	<b>613,401</b>	<b>622,425</b>	<b>795,289</b>

For the fiscal year ended March 31, 2022, the IT Services segment generated 98.3% of our revenue and 99.1% of our operating income. For the same period, the IT Products segment generated 0.8% of revenue and 0.1% of operating income and ISRE services segment generated 0.9% of our revenue and 0.8% of our operating income. Reconciling Items constitute (0.1%) of our operating income. (Refer to Note 34 of the Notes to Consolidated Financial Statements).

Our revenues for the last three fiscal years by country are as follows:

	Year ended March 31,		
	2020	2021	2022
	(₹ in millions)		
India	29,374	27,156	25,939
United States of America	338,490	336,009	427,021
United Kingdom	65,258	67,852	101,437
Rest of the world	180,279	191,408	240,892
	<b>613,401</b>	<b>622,425</b>	<b>795,289</b>

Additionally, we provide our IT Services segment revenue and results by SMUs. Please refer to Note 34 of the Notes to Consolidated Financial Statements for additional information regarding our segments.

## IT Services Offerings

Our IT Services service offerings are organized through two GBLs – Integrated Digital, Engineering and Application Services (“**iDEAS**”) and Cloud Infrastructure, Digital Operations, Risk and Enterprise Cyber Security Services (“**iCORE**”). iDEAS will include the Domain and Consulting, Applications and Data, Engineering and R&D and Wipro Digital service lines. iCORE will include the Cloud and Infrastructure services (“**CIS**”), Digital Operations and Platform (“**DOP**”) and Cybersecurity and Risk Services (“**CRS**”) service lines. We believe GBLs will bring in global scale, capabilities and solutions and best practices in delivery.

### iDEAS

iDEAS orchestrates and executes solutions for clients to build and operate digital era businesses. We create sector specific growth constructs and simplified and efficient new systems that drive business impact through our partner ecosystems and iDEAS experts, IP and accelerators.

With a focus on five themes (industry cloud, intelligence everywhere, Industry 4.0, 5G and Edge Computing and Sustainability), we work in lockstep with our clients to realize their ambitions securely and resiliently for their future through our six capability engines.

- **Cloud Transformation & NextGen Platforms:** The practice brings together sector blueprints, architecture teams, cloud service partners, DevSecOps, digital engineering, integration, and modernization capability to build and deploy industry cloud solutions for our clients, navigating at the same time complex data environments to unlock the journey to and beyond cloud for customers. This practice includes Wipro FullStride offerings, where we partner with our clients to orchestrate an ecosystem of hyperscalers, other alliance partners, capabilities and technologies, allowing them to focus on continuous innovation and value creation.
- **Wipro Engineering:** Seizing the space between technology and engineering to create solutions and platforms for sectors needing experts in Industry 4.0, IoT, Semiconductor, 5G and Automotive; our sector specific software product designers, process experts and engineers work across different product lifecycle stages for our clients. We have renamed our Engineering, Research and Development practice to “Wipro Engineering”.
- **Wipro Digital:** Wipro Digital, works at the cusp of strategy, design and technology. The brand is powered by our Digital Experience (“**DX**”) Practice; bringing the best of experience, marketing and next-gen interaction platforms together with engagement process experts to execute experiences for a new generation of end customers and employees.
- **Designit:** Designit provides design-led transformation solutions that better connect brands, organizations, and businesses to their end customers through a global team of researchers, analysts and design visionaries.
- **Industry Domain and Consulting:** Industry Domain and Consulting brings our deep industry and consulting expertise to clients across the globe to reinvent how sectors build and operate their organizations in the future to secure growth and new leaner operating models, at the same time as supporting clients to manage their organizational change.
- **Applications and Data:** Our Applications and Data teams guide enterprises on their journey towards data transformation by providing innovative data management and architecture strategies to ensure Intelligence Everywhere in an organization; executing these through our enterprise and data partner expertise such as SAP, Oracle, Salesforce, ServiceNow, MS Dynamics, Snowflake, Databricks, and Informatica.

### iCORE

iCORE is committed to accelerating the transformation journey of our customers to enable the enterprise of the future that is agile, intelligent, and resilient. We transform the core of enterprises through next-generation technologies and solutions combining cloud, infrastructure, cybersecurity, process, and business operations. Our iCORE service lines include:

- **Cloud Infrastructure Services (“CIS”):** CIS partners with organizations to modernize their IT landscape by unlocking the transformative opportunities powered by the cloud. We help build business agility and improve operational efficiency to uncover new opportunities for innovation through our offerings in cloud, data center, digital workplace, connected intelligence, IoT, digital network and edge computing.
- **Cybersecurity and Risk Services (“CRS”):** CRS is a next-gen cybersecurity offering that seamlessly integrates the business needs of today with the future needs of tomorrow. Our CyberSecurists help customers achieve a resilient cyber future through advisory-led security and risk management solutions. For us, cyber defense is not just proposals and promises, or simply keystrokes and code. It is pure, cutting-edge security in action delivered with genuine expertise.

- **Digital Operations and Platforms (“DOP”)**: DOP technology solutions build agile, intelligent, and automated processes to help enterprises drive differentiated customer experiences with an outcome-driven approach. With powerful business intelligence at its core, we help unlock the human potential needed to drive innovation and accelerate newer and faster responses to the ever-evolving market needs.

#### *IT Services Clients*

We service clients from a broad array of industry sectors. Several of our clients engage our services across multiple service offerings. We seek to increase business with our existing clients by expanding the type and range of services we can provide to them. The table below sets forth the number of our clients as measured by revenues.

Per client revenue (US\$)	Number of clients in		
	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2022
1-3 million	233	217	269
3-5 million	81	92	113
5-50 million	220	217	247
50-100 million	25	29	31
> 100 million	15	11	19
<b>Total &gt; 1 million</b>	<b>574</b>	<b>566</b>	<b>679</b>

The largest client of our IT Services business accounted for 3.2%, 3.1% and 3.2% of revenues from the IT Services business as a whole for the years ended March 31, 2020, 2021 and 2022. The five largest clients of our IT Services business accounted for 12.8%, 12.1% and 12.5% of our total IT Services revenues for the years ended March 31, 2020, 2021 and 2022, respectively.

#### *IT Services Sales and Marketing:*

We sell our IT services in over 56 countries through locally staffed sales teams aligned with specific industries and geographies. Our sales teams serve as trusted partners to our clients in their transformation journeys. This is done with the goal of enabling clients to be leaders in their respective industries and achieve outstanding business outcomes. We combine global expertise with local geography-focus to assist our clients, creating new possibilities at the intersection of design, industry, consulting, managed services, and next-generation technologies.

In hybrid work environment, that is invariably part of future business models, our local sales efforts are enabled through digital channels and collaborative technologies and complemented by our marketing functions which assist through building brand awareness, positioning our business solutions, expanding our footprint in specific accounts.

Our success as trusted partners to our clients is dependent on key elements of our sales model:

- **Strengthening relationships:** We have designated GAEs and client executives, that have primary responsibility for the client relationship, providing strong accountability and client focus. Partners are playing an increasingly important role in our clients’ transformations. We continue to expand our partner relationships, with market development leads aligned to partner teams and a strategic focus on the business impact of our partnerships.
- **Unrelenting focus on our clients’ ambitions:** Our sales teams seek to understand our clients’ most consequential challenges and help them overcome in ways that go beyond what they imagined for themselves. This includes orchestrating across Wipro and our ecosystem of partners to create solutions with clear business outcomes.
- **Simplified sales model:** Our simplified sales model, underlying processes and technology enhancements will provide a more seamless sales process with empowered sales teams who act with agility and alignment to bring the best of Wipro to our clients.
- **Large deals expertise:** Our strategic pursuits team is aimed at the largest and most complex transformation deals. It consists of deal principals, financial and commercial modelers, experienced consultants, and program directors, to bring expertise in creation, solutioning, structuring and supporting in winning large deals.

**Marketing:** Our marketing organization complements our sales teams across the sales funnel by increasing market awareness, creating interest in our solutions and offerings, improving consideration by clients and partners, and improving win rates in large and midsize deals.

All the activities carried out through marketing are aimed at expanding and serving our market, including growing our customer base, solidifying our relationships, and enhancing our brand and reputation.

### *IT Services Competition*

The market for IT services is competitive and rapidly changing. Our competitors in this market include global consulting firms; IT services companies as well as local, and niche services providers.

The following factors differentiate us from our competition:

1. Our ability to orchestrate value for our clients by stitching together industry knowledge, technology expertise, and ecosystem capabilities to solve complex problems faced by our clients.
2. A comprehensive and integrated suite of business solutions powered by leading-edge technologies like Wipro FullStride cloud services, cybersecurity, data and AI, and engineering and research and development.
3. Our portfolio of industry-specific business solutions such as digital bank of the future, Open Subsurface Data Universe platform for oil and gas, and core modernization for a telecom company for faster 5G deployment.
4. Our investments in developing intellectual property (“IP”) across products, platforms, frameworks, solutions, components, accelerators, tools, and apps such as Wipro HOLMESTM, Wipro virtuadeskTM, etc. that enable us to deliver enormous efficiency and time-to-market advantage to our customers.
5. Crowdsourcing (“**Topcoder**”): A community and crowdsourcing platform with over one million developers, designers, data scientists and testers. Topcoder provides focused enterprise offerings around AI/ML and analytics, DX, Quality as a Service (“**QaaS**”), workforce transformation, Talent as a Service (“**TaaS**”) and hybrid (certified) communities.
6. A global delivery model, enabled by our “4M” framework – which is Model, Method, Machinery and Mindset. Model is about driving global, distributed, and boundary-less ways of working; Method is about agile and no-shore; Machinery is about leveraging our AI and automation assets; and Mindset is about problem discovery, customer intimacy, and constant learning.
7. Our bold and high-performance culture fueled by our Five Habits and our focus on upskilling / reskilling helps us nurture diverse ideas and teams, as well as attract and retain best talent across key markets.
8. Our emphasis on acquiring companies with new age technologies and integrating them with our service offerings, to maximize synergies for our clients.
9. We are a relationship-oriented, customer-centric, and an easy-to-do-business-with company. Our organization structure is aligned to best enable our go-to-market and ensure proximity to our clients.
10. We are a purpose-led business that is recognized globally for high ethical standards, strong corporate governance, and an unwavering commitment to sustainability. We nurture inclusivity as an intrinsic part of Wipro’s culture. Our deep resolve to improve the communities we live and work in, is appreciated by our customers, investors, analysts, and employees.

### *IT Services SMUs structure*

During the year ended March 31, 2021, the Company re-organized its IT Services segment from seven industry verticals to four SMUs - Americas 1, Americas 2, Europe and APMEA. Americas 1 and Americas 2 are primarily organized by industry sector, while Europe and APMEA are organized by countries.

- Americas 1 includes the entire business of Latin America (“**LATAM**”) and the following industry sectors in the U.S.: healthcare and medical devices, consumer goods and life sciences, retail, transportation and services, communications, media and information services, technology products and platforms.
- Americas 2 includes the entire business of Canada and the following industry sectors in the U.S.: banking, financial services and insurance, manufacturing, hi-tech, energy and utilities.
- Europe consists of the United Kingdom and Ireland, Switzerland, Germany, Benelux, the Nordics and Southern Europe.
- APMEA consists of Australia and New Zealand, India, the Middle East, South East Asia, Japan and Africa.

The SMUs in Europe and APMEA will be responsible for all industry sectors in these regions. SMUs are our primary go-to-market teams and seek to scale local strategic clients and drive large deal wins.

Revenue from each customer is attributed to the respective SMUs, based on the location of the customer's primary buying center of such services. With respect to certain strategic global customers, revenue may be generated from multiple countries based on such customer's buying centers, but the total revenue related to these strategic global customers are attributed to a single SMU based on the geographical location of key decision makers.

Prior to the Company's re-organization of its IT Services segment, the IT Services segment was organized by seven industry verticals: Banking, Financial Services and Insurance ("BFSI"), Health Business unit ("Health BU"), Consumer Business unit ("CBU"), Energy, Natural Resources and Utilities ("ENU"), Manufacturing ("MFG"), Technology ("TECH") and Communications ("COMM").

## **IT Products**

We provide IT products as a complement to our IT services offerings rather than sell standalone IT products.

### *IT Products Customers*

We provide our offerings to enterprises in all major industries, primarily in the India market, including government, defense, IT and IT-enabled services, telecommunications, manufacturing, utilities, education and financial services sectors. We have a diverse range of customers. For the year ended March 31, 2022, we had one customer that accounted for 12.0% of our overall IT Products segment revenue.

### *IT Products Sales and Marketing*

We are value-added resellers of third-party enterprise products through our direct sales force. Our sales teams are organized by industry vertical. Our GAEs and client executives receive support from our corporate marketing team to assist in brand building and other corporate level marketing efforts for various market segments.

### *IT Products Competition*

Our competitors in the IT Products market include global system integrators as well as local and niche services providers operating in specific geographies like India. One of the major challenges we encounter is margin pressure due to competitive pricing. Achieving mindshare and market share in a crowded marketplace requires differentiated strategies on pricing, branding, delivery and products design. In the system integration market, we believe we are favorably positioned based on our brand, quality leadership, expertise in target markets and our ability to create customer loyalty by delivering value to our customers. The following factors differentiate us from our competition:

1. Our decades of experience in serving in the IT business, proven track record of delivery excellence and satisfied customers who recommend our services to other corporations.
2. Our deep understanding of the market especially in India.
3. Our trusted ability to provide impartial advice on selection of products.
4. The Wipro brand that is recognized for serving the Indian market over seventy-five years.
5. Our commitment to environmental sustainability as well as deep engagement with communities.

## **ISRE**

The ISRE segment consists of IT Services offerings to departments or ministries of the GoI and/or the Indian State Governments, as well as to corporate entities where more than 51% of the paid-up capital is held by the GoI or any Indian State Government, either individually or jointly (i.e., a "Public Sector Undertaking"). In certain cases, corporate entities which are held by the Central / State Government (more than 51%), in turn hold more than 51% stake of paid-up capital in other entities (i.e., a controlling stake), such other entities are also classified as an ISRE.

We have pivoted our ISRE strategy to focus more on consulting and digital engagements and to be selective in bidding for SI projects with long working capital cycles.

We will be leveraging our strong practices in areas such as taxation and e-governance, oil, gas, and utilities, along with our strong partner system, to work with Indian government entities, Public Sector Undertakings and other large companies classified as ISREs. For BFSI projects in our ISRE segment, we aim to replicate our successes in areas such as core banking transformation, and consulting.

### *ISRE Customers*

We have customers across the GoI, Indian State Governments and in industry sectors such as BFSI and ENU in the form of corporate entities where more than 51% of the paid-up capital is held by the Central and/or State governments of India. We work with multiple ISRE customers and our top two ISRE customers contributed approximately 26.7% of our ISRE revenues for the year ended March 31, 2022. Our largest ISRE customer accounted for 17.7% of our overall ISRE segment revenue for the year ended March 31, 2022.

### *ISRE Sales and Marketing*

Our ISRE business unit will focus on the unique customer requirements and will create a “Go to Market” approach that will address the needs of the present as well as future.

### *ISRE Competition*

In the ISRE sector, our competition comes from both local and global IT services companies, including large global consulting firms. For the GoI segment, several small companies have entered the market as disruptors, with most of these small companies focused on penetration strategy. The following factors differentiate us from our competition:

1. Our deep technology knowledge and domain expertise specifically in BFSI and ENU.
2. Our strong partnership with key alliance partners including hardware and software partners.
3. Significant experience in successfully delivering key marquee programs and strong reference across the ISRE sector.

### **Intellectual Property**

We believe that IP is increasingly a strong driver of business competitiveness and profits, especially in a knowledge intensive industry. Our IP portfolio is key to our strategy to drive non-linearity, and we believe that our IP will differentiate our products and services, introduce new benefits, reduce costs and improve products and services quality. We rely on a combination of patent, copyright, trademark and design laws, trade secrets, confidentiality procedures and contractual provisions to protect our IP.

We have invested in developing IP across business solutions, products, platforms, and service accelerators. This IP development enables us to provide standardized solutions to our customers and obtain significant time-to-market advantage over the general preference for customized solutions that entail higher cost and longer timelines. Using our IP, we are able to offer innovative commercial models in delivering services.

As of March 31, 2022, we have 1,092 registered patents in various countries. We have filed 41 patents during the year ended March 31, 2022, and currently have approximately 982 patent applications pending registration in various jurisdictions across the world.

As of March 31, 2022, we held 366 registered trademarks including registered community trademarks in India, Japan, the United States, Malaysia and over 70 other countries. Over 13 trademark applications are pending for registration in various jurisdictions across the world.

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 IP in the software we develop for them.

While we invest resources in developing, maintaining and protecting our IP, we deeply respect the IP held by our customers, vendors and other business partners.

### **Effect of Government Regulation on our Business**

Regulation of our business by governments across the world affects our business in several ways. Our registered office is in India and we are subject to the regulations notified by the GoI. We benefit from certain tax incentives promulgated by the GoI, including the export of IT services from SEZs. As a result of this incentive, our operations have been subject to relatively lower Indian tax liabilities. However, any new SEZ which commences operation after March 31, 2021 will not be entitled to any special tax exemption, which may have the effect of increasing tax outflow in future.

Indian laws also place additional requirements on our business, including that we are generally required to obtain approval under various legislations from the RBI, SEBI, MCA and/or the Ministry of Finance of the GoI to acquire companies incorporated outside India, if prescribed conditions are not satisfied, and we are generally required, subject to some exceptions, to obtain approval from relevant authorities in India in order to raise capital outside India or conduct other activities. We may also be required to obtain the approval of the Indian stock exchanges and/or the SEBI to take certain actions, such as the acquisition of, or merger with, another company. The conversion of our equity shares into ADSs is governed by guidelines issued by the RBI.

We are also subject to several legislative provisions relating to environmental protection, pollution control, essential commodities and operation of our facilities.

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 on our business.

## Organizational Structure

Refer to Note 32 of the Notes to Consolidated Financial Statements for information on organizational structure of the Company.

## Property, Plant and Equipment

Our registered office is located at Doddakannelli, Sarjapur Road, Bengaluru, India. This office is approximately 0.30 million square feet. We have approximately 1.34 million square feet of land adjoining our corporate offices for future expansion plans. In addition, we have approximately 23.91 million square feet of land for future expansion plans. We have 25.18 million square feet of owned software development facilities in India and over 1.80 million square feet of leased software development premises in India.

We have approximately 2.93 million square feet of leased offices, software development and data center facilities in countries outside India, which includes approximately 1.26 million square feet at various locations in the Americas. We have approximately 0.13 million square feet of owned offices, software development and data center facilities in countries outside India.

We incurred total cash outflow of ₹ 23,497 million, ₹ 19,577 million and ₹ 20,153 million on capital expenditure during the fiscal years ended March 31, 2020, 2021 and 2022, respectively. These capital expenditures were primarily incurred on new software development facilities in India and investments in IT assets.

We have 59 sales/marketing offices, data centers, development and training centers in the Americas. In addition, we have 157 similar facilities located in the following regions: Europe, Middle East, Africa and Asia-Pacific region (other than India).

We own one manufacturing site located in Pondicherry, India, which is approximately 0.06 million square feet of land.

Our software development 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 developed and undertaken to meet our future growth and our strategy on agile anywhere and newer ways of working.

We are committed to achieving net-zero greenhouse gas emissions by 2040, which is in line with the Paris Agreement’s objective of limiting the global temperature increase to 1.5°C. We also set an intermediate target of a 55% reduction in our absolute emission levels by 2030 compared to 2017. These targets are based on the globally accepted Science Based Targets initiative (“SBTi”) and reflect significant decarbonization and operational changes that we will implement to achieve net-zero by 2040. The primary levers of our decarbonization drive are:

- (a) improving the energy efficiency of our facilities for a sustained reduction in energy consumption;
- (b) increasing the use of renewable energy in our owned facilities in India through private power purchase agreements and captive solar power; and
- (c) combining behavioral, technological and collaborative approaches that help reduce the carbon footprint of air travel, commuting and purchased goods and services.

Over the last few decades, we have steadily reduced our energy, water and waste footprint and bio-diversity impact and we remain steadfast in our commitment to a more sustainable, just and equitable society.

Refer to Item 5 for further discussion of our ESG initiatives.

## Material Plans to Construct, Expand and Improve Facilities

As of March 31, 2022, we had contractual commitments of ₹ 11,376 million primarily related to capital expenditures on construction or expansion of software development facilities. These expenditures are expected to be funded largely through cash generated from operations, existing investible surplus in the form of cash and cash equivalents, short-term investments and other external financing sources.

## 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 could have a material impact on our financial position. We also receive tax assessment orders in ordinary course of business from various tax authorities. Please see the description of our tax proceedings before various tax authorities 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**

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

The following discussion and analysis should be read in conjunction with the Consolidated Financial Statements and the notes thereto included in Item 8 of this Annual Report on Form 20-F. This section and other parts of this Annual Report on Form 20-F contain forward-looking statements that involve risks and uncertainties. Forward-looking statements can also be identified by words such as “ambition,” “anticipates,” “expects,” “believes,” “plans,” “predicts,” and similar terms. Forward-looking statements are not guarantees of future performance and our actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include, but are not limited to those discussed in the subsection entitled “Risk Factors” above.

#### **Overview**

Wipro Limited is a leading global IT, consulting and business process services company. We harness the power of cognitive computing, hyper-automation, robotics, cloud, cybersecurity, engineering services, analytics and emerging technologies to help our clients adapt to the digital world and make them successful.

Wipro is recognized globally for its comprehensive portfolio of services, strong commitment to sustainability and good corporate citizenship. We have over 240,000 dedicated employees (including support functions) serving clients across six continents. Together, we discover ideas and connect the dots to build a better and a bold tomorrow.

#### **Trend Information**

While the COVID-19 pandemic has affected economies and industries around the world, economies are now experiencing a strong but unbalanced recovery.

The pandemic has rapidly accelerated digital transformation for many organizations and has led to the adoption of digital business models driven by online customer service, remote working, supply chain reinventions and automation for operational excellence.

With accelerated rates of effective vaccination and reduction in mobility restrictions, most economies are expected to reach their pre-pandemic levels. While consumption demand has improved, economic recovery remains uneven due to factors like imbalanced labor markets, global supply chain disruptions, geo-political conflicts, inflation and a dearth of available talent. While there is no direct impact on business from the ongoing geo-political conflict between Russia and Ukraine, we continue to monitor these developments. The continuous increase in demand for skilled talent has been building pressure on IT services providers amidst a significant increase in hiring, salary hikes and higher subcontracting costs.

#### **IT Services:**

Global IT service providers offer a range of end-to-end software development, digital services, IT business solutions, research and development services, technology and cloud infrastructure services, business process services, consulting and related support functions. According to the NASSCOM Report, the Indian technology sector is estimated to witness a growth of 15.5% to reach approximately US\$ 227 billion revenue in fiscal year 2022 (excluding e-commerce). Exports (including hardware) are estimated to grow at 17.2% to reach approximately US\$ 178 billion in fiscal year 2022 and the domestic sector is forecasted to reach approximately US\$ 49 billion in fiscal year 2022, growing at approximately 10%. The growth is driven by demand for, digital transformation, cloudification, engineering, data analytics and AI, and associated consulting services. Customer enterprises will continue their investments in communication and collaboration, cybersecurity and content management solutions.

Our strategy supports value creation for clients and growth for our organization through five strategic priorities: accelerate growth, strengthen clients and partnerships, lead with business solutions, building talent at scale, and a simplified operating model. We are focusing our efforts and our investments on maximum results, going deeper in areas that we believe we have strength and defocusing on others, and scaling up to secure leadership positions. Our new strategy will bring us closer to clients, drive greater agility and responsiveness and help us become the employer of choice. Further, we have invested in acquiring new technology and skills. In the last three fiscal years, we have completed several mergers and acquisitions, including the acquisitions of:

- Capco, a global management and technology consultancy company providing digital, consulting and technology services to financial institutions in the Americas, Europe and the Asia Pacific;
- Ampion, a provider of cyber security, DevOps and quality engineering services;
- Edgile, a transformational cybersecurity consulting provider that focuses on risk and compliance, information and cloud security and digital identity;
- LeanSwift, a system integrator of Infor Products whose service capabilities include enterprise resource planning, e-commerce, digital transformation, supply chain, warehouse management systems, business intelligence and integrations;

- Eximius Design, LLC and Eximius Design India Private Limited, a leading engineering services company with strong expertise in semiconductor, software and systems design;
- Encore Theme Technologies Private Limited, a Finastra trade finance solutions partner across the Middle East, Africa, India and Asia Pacific;
- 4C NV and its subsidiaries, a Salesforce multi-cloud partner in Europe, U.K., and the Middle East, helping companies unlock commercial value and achieve business transformation by consistently putting customers first;
- IVIA Serviços de Informática Ltda., is a company specialized in information technology that develops solutions to improve and expand the business of its customers, either by reducing costs, increasing productivity or generating innovation;
- Rational Interaction, a full-service digital customer experience solutions firm that brings the strategic capabilities of a consultancy together with the creative and digital prowess of an agency;
- International TechneGroup Incorporated, a global digital engineering and manufacturing solutions company and a world leader in computer aided design and product lifecycle management interoperability software services.

In April 2022, we acquired CAS Group, a US-based consulting and program management company that specializes in driving large-scale business and technology transformation for Fortune 100 communications service providers.

In May 2022, we acquired Rizing, a global SAP consulting firm with industry expertise and consulting capabilities in enterprise asset management, consumer industries, and human experience management and has more than 1300 employees in 16 countries across North America, Europe, Asia, and Australia.

In fiscal year 2022, our top five and top ten IT Services customers grew 31.5% and 30.5% year-on-year, respectively. We have added eight more accounts with revenue of US\$ 100 million or more. Our large deal total contract value in fiscal year 2022 was at US\$ 2.3 billion and overall order bookings in 'Annual contract value' grew 30% year-on-year.

Gross profit as a percentage of revenue in our IT Services segment for the year ended March 31, 2022 is 30.41%. We anticipate challenges in significantly improving our gross profits, largely due to the following reasons:

- Annual increases in salaries, progressions and bonuses, and strong demand for digital and other niche skills are expected to result in wage inflation;
- Increased hiring and training costs due to higher attrition rates;
- Discretionary spending relating to travel, facilities and marketing spends gradually scaling back;
- Limited ability of the market to accept increase in prices for our offerings to fully offset incremental costs;
- Investment in acquisitions with onsite capabilities which can potentially contribute lower margins;
- The impact of exchange rate fluctuations on our Indian Rupee realizations;
- Investment in domain architects, deep subject matter experts and diversified local leadership;
- Increase in onshore effort mix as customers return to office;
- Loss of revenue due to vendor consolidation or insourcing at the customer end; and
- Lower utilization rates for our resources, arising from reduction in demand for our services from customers or contract terminations.

In response to the increased competition in the marketplace for IT services and pressure on gross margins, we are focusing on:

- Pyramid structure by increasing hiring from university campuses as a core aspect of our margin management;
- Better price realization to combat current inflationary environment;
- Differentiating our offerings by providing premium services across the Digital value-chain, including consulting and advisory, strategy, design, Wipro FullStride cloud services and connected offerings;
- Emphasizing a hybrid delivery model to retain the utilization of our IT professionals;

- Aligning our resources to expected demand and pivoting ourselves to meet new opportunities;
- Using next-generation technology-led business process services like Wipro HOLMESTM to drive superior customer experience and maximize returns and bring down operating costs;
- Driving revenue and cost synergies of acquired businesses; and
- Investing in non-linearity through our IP portfolio that de-link the linear relationship between revenue and efforts expended.

## IT Products

In our IT Products segment, we continue to experience pricing pressures due to increased competition among IT companies. Our IT Products segment is subject to seasonal fluctuations. Our IT Products revenue 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 and macroeconomic factors. We provide IT products as a complement to our IT services offerings rather than sell standalone IT products, and our focus continues to be on consulting and digital engagements, with a more selective approach in bidding for SI engagements. Accordingly, our revenue, operating income and profit for our IT Products segment have varied significantly in the past and we expect that they are likely to vary in the future.

According to the NASSCOM Report, the domestic market in India for hardware is estimated to be US\$ 16.6 billion in fiscal year 2022 and overall revenue for the hardware industry is expected to be US\$ 17 billion in fiscal year 2022. The growth is expected to be driven by the personal computer segment due to online learning and remote working models.

## ISRE

According to the NASSCOM Report, the Indian government played a prominent role in the adoption of technology and enablement with public digital platforms to enhance India's competitiveness. In addition to the initiatives of central government, state governments are also building digital platforms for enhanced government-citizen engagement across finance, education, agriculture and citizen services.

The GoI is focused on increasing the digital capability by forging alliances with academia to encourage innovation, build a robust talent pipeline and strengthen industry-academia ties. The GoI is strengthening the public cloud ecosystem in India with initiatives such as enabling Micro, Small and Medium Enterprises ("MSMEs") in early cloud adoption, building skilled cloud workforce and investments on cloud infrastructure services. With increasing investments in cloud and cyber-security, the primary focus for government organizations, both local and national, is on building collaborative partnerships and technology solutions.

## Shareholder Returns

We have always strived to enhance shareholder value for our investors. The Company's policy has been to provide regular, stable and consistent distribution of return. The Company's policy of capital allocation includes payout of minimum 45%-50% of net income for period of trailing three years. There is no change in our philosophy on shareholder return.

*Cash Dividends:* The cash dividend paid during the year ended March 31, 2021 was ₹ 1 per equity share. The cash dividend paid during the year ended March 31, 2022 was an interim dividend of ₹ 1 per equity share. Further, the Board at its meetings held on March 25, 2022, declared an interim dividend of ₹ 5 per equity share, which was subsequently paid on April 19, 2022. The Board recommended the adoption of the interim dividends of ₹ 1 and ₹ 5 per equity share as the final dividend for the year ended March 31, 2022.

*Buyback of equity shares:* During the year ended March 31, 2021, we concluded the buyback of 237,500,000 equity shares at a price of ₹ 400 (US\$ 5.47) per equity share, as approved by the Board of Directors on October 13, 2020 and by our shareholders by resolution dated November 16, 2020 passed through postal ballot by electronic voting. This resulted in a total cash outflow of ₹ 116,644 million (US\$ 1,594.8 million) including tax on buyback of ₹ 21,445 million (US\$ 293.2 million) and transaction cost related to buyback of ₹ 199 million (US\$ 2.7 million). As a result of the buyback, our share capital has reduced by ₹ 475 million (US\$ 6.5 million).

## Results of Operations

The below discussion of our results of operations omits a comparison of our results for the years ended March 31, 2020 and March 31, 2021. Such omitted discussions can be found in Item 5 of our annual report on Form 20-F for the year ended March 31, 2021, filed with the SEC on June 9, 2021.

Our revenues and profits for the years ended March 31, 2021 and 2022 are provided below:

	Wipro Limited and subsidiaries		
	Year ended March 31,		Year on Year change
	2021	2022	2022-21
	(₹ in millions, except earnings per share data)		
Revenue (1)	622,425	795,289	27.77%
Cost of revenue	(423,205)	(555,872)	31.35%
Gross profit	199,220	239,417	20.18%
Selling and marketing expenses	(41,400)	(54,935)	32.69%
General and administrative expenses	(34,686)	(46,382)	33.72%
Other operating income/(loss), net (2)	(81)	2,186	2798.77%
Operating income	123,053	140,286	14.00%
Profit attributable to equity holders	107,946	122,191	13.20%
As a percentage of revenue:			
Selling and marketing expenses	6.65%	6.91%	26bps
General and administrative expenses	5.57%	5.83%	26bps
Gross margins (3)	32.01%	30.02%	(199)bps
Operating margin (3)	19.77%	17.59%	(218)bps
Earnings per share			
Basic	19.11	22.35	
Diluted	19.07	22.29	

(1) For segment reporting, we have included the impact of exchange rate fluctuations in revenue. Excluding the impact of exchange rate fluctuations, revenue, as reported in our statement of income, is ₹ 619,430 million and ₹ 790,934 million for the years ended March 31, 2021 and 2022, respectively. Please see Note 34 of the Notes to the Consolidated Financial Statements for additional details.

(2) Other operating income/(loss), net represents:

- (i) For the year ended March 31, 2021, change in fair value of the callable units upon partial achievement of cumulative business targets pertaining to the sale of our hosted data center services business.
- (ii) For the year ended March 31, 2022, (a) ₹ 1,233 million towards change in fair value of callable units upon achievement of cumulative business targets pertaining to sale of our hosted data center services business, and (b) ₹ 953 million towards gain from the sale of Wipro's investment in Denim Group, which was accounted for using the equity method.

Please see Note 26 of the Notes to the Consolidated Financial Statements for additional details.

(3) Gross margin and operating margin as a percentage of revenue have been calculated by including Other operating income/(loss), net with Revenue.

## Segment Information

We are organized into following operating segments: IT Services, IT Products and ISRE.

**IT Services:** During the year ended March 31, 2021, the Company re-organized its IT Services segment from seven industry verticals to four SMUs—Americas 1, Americas 2, Europe and APMEA.

Americas 1 and Americas 2 are primarily organized by industry sector, while Europe and APMEA are organized by countries. Americas 1 includes the entire business of LATAM and the following industry sectors in the U.S.: healthcare and medical devices, consumer goods and life sciences, retail, transportation and services, communications, media and information services, technology products and platforms. Americas 2 includes the entire business in Canada and the following industry sectors in the U.S.: banking, financial services and insurance, manufacturing, hi-tech, energy and utilities. Europe consists of the United Kingdom and Ireland, Switzerland, Germany, Benelux, the Nordics and Southern Europe. APMEA consists of Australia and New Zealand, India, the Middle East, South East Asia, Japan and Africa.

Revenue from each customer is attributed to the respective SMUs, based on the location of the customer's primary buying center of such services. With respect to certain strategic global customers, revenue may be generated from multiple countries based on such customer's buying centers, but the total revenue related to these strategic global customers are attributed to a single SMU based on the geographical location of key decision makers.

Prior to the Company's re-organization of its IT Services segment, the IT Services segment was organized by seven industry verticals: BFSI, Health BU, CBU, ENU, MFG, TECH and COMM.

**IT Products:** The Company is a value-added reseller of security and packaged and SaaS 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, and revenue relating to these items is reported as IT Products revenue.

**ISRE:** The ISRE segment consists of IT services offerings to entities and/or departments owned or controlled by the GoI and/or ISRE Customers. Historically, projects in our ISRE business have been primarily SI projects that have complex deliverables and, compared to our IT Services segment, longer working capital cycles and different downstream processes, including billing and collections. Most ISRE deals come in the form of a tender process, with little room to negotiate the terms and conditions. Our ISRE strategy is to focus more on consulting and digital engagements and to be selective in bidding for SI projects with long working capital cycles.

Our revenue and segment results are as follows:

	Year ended March 31,		Year on Year change
	2021	2022	2022-21
	(₹ in millions)		
<b>Revenue:</b>			
IT Services	605,815	781,824	29.05%
IT Products	7,685	6,173	(19.67)%
ISRE	8,912	7,295	(18.14)%
Reconciling items	13	(3)	(123.08)%
	<b>622,425</b>	<b>795,289</b>	<b>27.77%</b>
<b>Segments results:</b>			
IT Services	122,850	139,078	13.21%
IT Products	45	115	155.56%
ISRE	1,061	1,173	10.56%
Reconciling items	(903)	(80)	91.14%
	<b>123,053</b>	<b>140,286</b>	<b>14.00%</b>

## Analysis of Results

### Results of operations for the years ended March 31, 2022 and 2021

**Revenue:** Our revenue increased by 27.77%.

Our IT Services segment revenue increased by 29.05%. The revenue for all SMUs grew during the year. The growth was led by a surge in demand for IT services by our customers, consummation of our acquisitions including Capco, ramp up of our new deal wins and depreciation of the Indian Rupee against foreign currencies, including the USD, Pound Sterling, Australian Dollar and Canadian Dollar.

Revenue of the IT Products segment declined by 19.67%, which was primarily due to our focus on providing IT products as a complement to our IT services offerings, rather than selling standalone IT products and our adoption of a more selective approach in bidding for SI engagements.

Revenue of the ISRE segment declined by 18.14%, which was primarily due to the completion of certain large SI deals during the year ended March 31, 2021.

The table below gives our revenue by country for the year ended March 31, 2021 and 2022:

	Percentage of revenues Year ended March 31,	
	2021	2022
United States of America	54%	54%
United Kingdom	11%	13%
India	4%	3%
Rest of the world	31%	30%

**Cost of revenues:** In absolute terms, cost of revenues increased by 31.35%, primarily due to an increase in employee compensation due to the impact of salary increases and increase in headcount, including through acquisitions, incremental sub-contracting costs incurred to fulfil vacant positions, increase in facility expenses due to partial return of our employees to offices, and depreciation of the Indian Rupee against foreign currencies, including the USD, Pound Sterling, Australian Dollar and Canadian Dollar. The following table presents our cost of revenues:

<u>Cost of revenues</u>	<u>Year ended March 31,</u>		<u>Year on Year change</u>	
	<u>2021</u>	<u>2022</u>	<u>2022-21</u>	<u>2022-21</u>
	<u>(₹ in millions)</u>		<u>(₹ in millions)</u>	
Employee Compensation	282,983	382,446	99,463	35.15%
Cost of hardware and software	7,684	6,431	(1,253)	(16.31)%
Sub-contracting and technical fees	82,470	106,580	24,110	29.23%
Travel	4,731	6,403	1,672	35.34%
Depreciation, amortization and impairment	18,900	20,980	2,080	11.01%
Facility expenses	18,386	23,021	4,635	25.21%
Communication	4,546	4,250	(296)	(6.51)%
Others	3,505	5,761	2,256	64.37%
	<u>423,205</u>	<u>555,872</u>	<u>132,667</u>	<u>31.35%</u>

As a result of the foregoing factors, our gross profit as a percentage of our total revenue decreased by 199 basis points (“bps”).

**Selling and marketing expenses:** Our selling and marketing expenses as a percentage of total revenue increased from 6.65% for the year ended March 31, 2021 to 6.91% for the year ended March 31, 2022. In absolute terms, selling and marketing expenses increased by 32.69% primarily because of the increase in employee compensation due to the impact of salary increases and increase in sales headcount, incremental amortization of intangibles recognized on acquisitions consummated during the year ended March 31, 2022 and increase in marketing and brand building expenses. The following tables present our selling and marketing expenses:

<u>Selling and marketing expenses</u>	<u>Year ended March 31,</u>		<u>Year on Year change</u>	
	<u>2021</u>	<u>2022</u>	<u>2022-21</u>	<u>2022-21</u>
	<u>(₹ in millions)</u>		<u>(₹ in millions)</u>	
Employee Compensation	31,236	41,339	10,103	32.34%
Travel	209	454	245	117.22%
Depreciation, amortization and impairment	6,798	8,309	1,511	22.23%
Facility expenses	593	566	(27)	(4.55)%
Communication	382	438	56	14.66%
Marketing and brand building	1,011	2,010	999	98.81%
Others	1,171	1,819	648	55.34%
	<u>41,400</u>	<u>54,935</u>	<u>13,535</u>	<u>32.69%</u>

**General and administrative expenses:** Our general and administrative expenses as a percentage of revenue increased from 5.57% for the year ended March 31, 2021 to 5.83% for the year ended March 31, 2022. In absolute terms, general and administrative expenses increased by 33.72%, primarily due to the increase in employee compensation due to the impact of salary increases and increase in headcount including acquisitions, increased recruitment costs due to headcount addition during the year ended March 31, 2022 and increase in legal and professional fees. These increases have been partially offset by the decrease in lifetime expected credit loss for the year ended March 31, 2022 as compared to the year ended March 31, 2021, due to collection of overdue accounts receivable and reduced credit risk of our customer portfolio. The following tables present our general and administrative expenses:

<u>General and administrative expenses</u>	<u>Year ended March 31,</u>		<u>Year on Year change</u>	
	<u>2021</u>	<u>2022</u>	<u>2022-21</u>	<u>2022-21</u>
	<u>(₹ in millions)</u>		<u>(₹ in millions)</u>	
Employee Compensation	18,152	26,290	8,138	44.83%
Travel	318	463	145	45.60%
Facility expenses	1,276	1,682	406	31.82%
Legal and professional fees	4,817	6,606	1,789	37.14%
Lifetime expected credit loss/ (write-back)	1,506	(797)	(2,303)	(152.92)%
Staff recruitment expenses	1,970	6,475	4,505	228.68%
Others	6,647	5,663	(984)	(14.80)%
	<u>34,686</u>	<u>46,382</u>	<u>11,696</u>	<u>33.72%</u>

**Other operating income/(loss), net:** During the year ended March 31, 2022 we recognized gain of ₹ 1,233 million towards change in fair value of callable units upon achievement of cumulative business targets pertaining to sale of our hosted data center services business, and ₹ 953 million

towards gain from the sale of Wipro's investment in Denim Group, accounted for using the equity method. Please refer to Note 26 of the Notes to the Consolidated Financial Statements for additional details.

During the year ended March 31, 2021, we recorded ₹ (81) million towards change in fair value of the callable units upon partial achievement of cumulative business targets pertaining to the sale of our hosted data center services business.

**Operating income:** As a result of the foregoing factors and acquisitions consummated during the year ended March 31, 2022, while our operating income increased by 14.00%, from ₹ 123,053 million for the year ended March 31, 2021 to ₹ 140,286 million for the year ended March 31, 2022, our results from operating activities as a percentage of revenue (operating margin) decreased by 218 bps from 19.77% to 17.59%.

**Finance expenses:** Our finance expenses increased from ₹ 5,088 million for the year ended March 31, 2021 to ₹ 5,325 million for the year ended March 31, 2022. The increase in borrowings during the year ended March 31, 2022 primarily resulted in higher finance expense.

**Finance and other income:** Our finance and other income decreased from ₹ 20,912 million for the year ended March 31, 2021 to ₹ 16,257 million for the year ended March 31, 2022. The decrease is primarily due to a decrease in interest income by ₹ 5,328 million during the year ended March 31, 2022 compared to the year ended March 31, 2021.

**Income taxes:** Our income taxes decreased by ₹ 1,399 million from ₹ 30,345 million for the year ended March 31, 2021 to ₹ 28,946 million for the year ended March 31, 2022. Our effective tax rate has decreased from 21.83% for the year ended March 31, 2021 to 19.13% for the year ended March 31, 2022. This decrease is primarily due to certain audit closures for the past years. Please refer to Note 21 of the Notes to the Consolidated Financial Statements for further information.

**Profit attributable to non-controlling interest:** Our profit attributable to non-controlling interest has decreased from ₹ 716 million for the year ended March 31, 2021 to ₹ 138 million for the year ended March 31, 2022.

**Profit attributable to equity holders:** As a result of the foregoing factors, our profit attributable to equity holders increased by ₹ 14,245 million or 13.20%, from ₹ 107,946 million for the year ended March 31, 2021 to ₹ 122,191 million for the year ended March 31, 2022.

## Analysis of Revenue and Results by Segment

### IT Services

Our IT Services segment provides a range of IT and IT enabled services which include digital strategy, customer-centric design, consulting, infrastructure services, business process services, research and development, cloud, mobility and advanced analytics and product engineering. Information by SMUs for the IT Services segment for the years ended March 31, 2021 and 2022 are as follows:

	Year ended March 31,		Year on Year change
	2021	2022	2022-21
	(₹ in millions)		
Revenue:			
IT Services Strategic Market Units			
Americas 1	178,091	217,874	22.34%
Americas 2	179,821	239,404	33.13%
Europe	165,441	233,443	41.10%
APMEA	82,462	91,103	10.48%
	<u>605,815</u>	<u>781,824</u>	<u>29.05%</u>
Segments Result:			
IT Services Strategic Market Units			
Americas 1	33,040	42,820	29.60%
Americas 2	41,589	47,376	13.91%
Europe	31,673	35,739	12.84%
APMEA	11,476	10,523	(8.30)%
Unallocated	5,153	434	(91.58)%
Other operating income/(loss), net	(81)	2,186	2798.77%
	<u>122,850</u>	<u>139,078</u>	<u>13.21%</u>



Please see Note 34 of the Notes to the Consolidated Financial Statements for additional details regarding our operating segments.

Our IT Services segment accounted for 97.3% and 98.3% of our total revenue for the years ended March 31, 2021 and 2022, respectively and 99.8% and 99.1% of our operating income for the years ended March 31, 2021 and 2022, respectively.

Operating results of the IT Services segment are as follows:

	Year ended March 31,		Year on Year change
	2021	2022	2022-21
	(₹ in millions)		
Revenue (1)	605,815	781,824	29.05%
Cost of revenue	(408,411)	(543,425)	33.06%
Gross profit	197,404	238,399	20.77%
Selling and marketing expenses	(40,985)	(54,688)	33.43%
General and administrative expenses	(33,488)	(46,819)	39.81%
Other operating income/(loss), net	(81)	2,186	2798.77%
Segment results (2)	122,850	139,078	13.21%
As a percentage of revenue:			
Selling and marketing expenses	6.77%	6.99%	22bps
General and administrative expenses	5.53%	5.99%	46bps
Gross margins (3)	32.59%	30.41%	(218)bps
Segment results (3)	20.28%	17.74%	(254)bps

- (1) For the purpose of segment reporting, we have included the impact of exchange rate fluctuations amounting to ₹ 2,955 million and ₹ 4,355 million for the years ended March 31, 2021 and 2022, respectively, in revenue. Please see Note 34 of the Notes to the Consolidated Financial Statements for additional details.
- (2) Includes other operating income of ₹ 1,233 million towards change in fair value of callable units upon achievement of cumulative business targets pertaining to sale of our hosted data center services business, and ₹ 953 million towards gain from the sale of Wipro's investment in Denim Group, accounted for using the equity method.
- (3) Gross margin and segment results as a percentage of revenue have been calculated by including Other operating income/(loss), net with Segment Revenue.

Our revenue and segment results by IT Services SMUs, expressed in terms of percentages, are provided below:

	Year ended March 31,			
	2021		2022	
	Percentage of revenues	Percentage of Segment results	Percentage of revenues	Percentage of Segment results
<b>Strategic Market Units</b>				
Americas 1	29.4%	26.9%	27.9%	30.8%
Americas 2	29.7%	33.9%	30.6%	34.1%
Europe	27.3%	25.8%	29.9%	25.7%
APMEA	13.6%	9.3%	11.6%	7.5%
Unallocated	NA	4.2%	NA	0.3%
Other operating income/(loss), net	NA	(0.1)%	NA	1.6%

Our IT Services segment revenue by sectors, expressed in terms of percentages, is provided below:

<b>Sector</b>	<b>Year ended March 31,</b>	
	<b>2021</b>	<b>2022</b>
Banking, Financial Services and Insurance	30.7%	34.7%
Consumer	16.4%	17.5%
Health	13.5%	11.7%
Energy, Natural Resources and Utilities	13.1%	12.2%
Technology	13.0%	12.1%
Manufacturing	8.1%	6.8%
Communications	5.2%	5.0%

#### *IT Services results of operations for the years ended March 31, 2022 and 2021*

The IT Services segment revenue increased by 29.05% for the year ended March 31, 2022 compared to our revenue for the year ended March 31, 2021. The revenue for all SMUs grew during the year. The growth was led by a surge in demand for IT services by our customers, consummation of acquisitions, including Capco, ramp up of our new deal wins and depreciation of the Indian Rupee against foreign currencies, including the USD, Pound Sterling, Australian Dollar and Canadian Dollar. Our acquisitions consummated during the year ended March 31, 2022 contributed revenues of ₹ 72,730 million.

Our gross profit as a percentage of our revenue from our IT Services segment decreased by 218 bps, primarily due to the increase in employee compensation costs by ₹ 99,239 million due to the impact of salary increases and increase in headcount, including through our acquisitions, incremental subcontracting costs of ₹ 29,871 million, and the increase in facility expenses by ₹ 4,724 million due to partial return of our employees to offices.

Selling and marketing expenses as a percentage of revenue from our IT Services segment increased from 6.77% for the year ended March 31, 2021 to 6.99% for the year ended March 31, 2022. In absolute terms, selling and marketing expenses increased by ₹ 13,703 million primarily because of increase in employee compensation costs by ₹ 10,248 million due to the impact of salary increases and increase in sales headcount, incremental amortization of intangibles of ₹ 1,510 million recognized on acquisitions consummated during the year ended March 31, 2022 and increase in marketing and brand building expenses by ₹ 999 million.

General and administrative expenses as a percentage of revenue from our IT Services segment increased from 5.53% for the year ended March 31, 2021 to 5.99% for the year ended March 31, 2022. In absolute terms, general and administrative expenses increased by ₹ 13,331 million, primarily due to an increase in employee compensation costs by ₹ 8,463 million due to the impact of salary increases and the increase in headcount, including through our acquisitions, incremental recruitment costs of ₹ 4,515 million due to additions to headcount and increases in legal and professional fees by ₹ 1,797 million. These increases have been partially offset by the decrease in lifetime expected credit loss by ₹ 1,906 million. Lifetime expected credit loss for the year ended March 31, 2022 decreased compared to the year ended March 31, 2021 due to collection of overdue accounts receivable and reduced credit risk of our customer portfolio.

Other operating income/(loss), net for the year ended March 31, 2022 includes a gain of ₹ 1,233 million towards change in fair value of callable units upon achievement of cumulative business targets pertaining to the sale of our hosted data center services business, and ₹ 953 million towards gain from the sale of Wipro's investment in Denim Group, accounted for using the equity method.

As a result of the above, segment results as a percentage of our revenue from our IT Services segment decreased by 254 bps, from 20.28% to 17.74%. In absolute terms, the segment results of our IT Services segment increased by 13.21%.

#### *IT Products*

While we focus on being a strategic provider of IT services, we provide IT products as a complement to our IT services offerings. Our range of third-party IT Products is comprised of Enterprise Platforms, Networking Solutions, Software Products, Data Storage, Contact Center Infrastructure, Enterprise Security, IT Optimization Technologies, Video Solutions and End-User Computing solutions. Revenue from the hardware products and software licenses sold is recorded under the IT Products segment. We have diverse range of clients across all major industries, primarily in the India and the Middle East markets.

Our IT Products segment accounted for 1.2% and 0.8% of our revenue for the years ended March 31, 2021 and 2022, respectively, and 0.0% and 0.1% of our operating income for each of the years ended March 31, 2021 and 2022, respectively.

Operating results of the IT Products segment are as follows:

	<b>Year ended March 31,</b>		<b>Year on Year change</b>
	<b>2021</b>	<b>2022</b>	<b>2022-21</b>
	<b>(₹ in millions)</b>		
Revenue (1)	7,685	6,173	(19.67)%
Cost of revenue	(7,465)	(6,279)	(15.89)%
Gross profit	220	(106)	(148.18)%
Selling and marketing expenses	(109)	(104)	(4.59)%
General and administrative expenses	(66)	325	(592.42)%
Segment results	45	115	155.56%
<b>As a percentage of revenue:</b>			
Selling and marketing expenses	1.42%	1.68%	26bps
General and administrative expenses	0.86%	(5.26)%	(612)bps
Gross margins	2.86%	(1.72)%	(458)bps
Segment results	0.59%	1.86%	127bps

- (1) For the purpose of segment reporting, we have included the impact of exchange rate fluctuations amounting to ₹ 20 million and ₹ Nil for the years ended March 31, 2021 and 2022, respectively, in revenue. Please see Note 34 of the Notes to the Consolidated Financial Statements for additional details.

*IT Products results of operations for the years ended March 31, 2022 and 2021*

Our revenue from the IT Products segment decreased by 19.67% in the year ended March 31, 2022 compared to our revenue in the year ended March 31, 2021. The decline was primarily due to our focus on providing IT products as a complement to our IT services offerings rather than sell standalone IT products, and our adoption of a more selective approach in bidding for SI engagements.

Our gross profit as a percentage of our IT Products segment revenue decreased by 458 bps. In absolute terms gross profit decreased by ₹ 326 million primarily due to decrease in revenue.

Selling and marketing expenses as a percentage of revenue from our IT Products segment increased from 1.42% for the year ended March 31, 2021 to 1.68% for the year ended March 31, 2022. In absolute terms, selling and marketing expenses decreased by ₹ 5 million.

General and administrative expenses as a percentage of revenue from our IT Products segment decreased from 0.86% for the year ended March 31, 2021 to (5.26)% for the year ended March 31, 2022. In absolute terms, general and administrative expenses decreased by ₹ 391 million primarily due to reduction in lifetime expected credit loss, which was due to collection of overdue accounts receivable.

As a result of the above, segment results as a percentage of our revenue from our IT Products segment increased by 127bps, from 0.59% to 1.86%. In absolute terms, the segment results of our IT Products segment increased by ₹ 70 million.

*ISRE*

Our ISRE segment accounted for 1.4% and 0.9% of our revenue for the years ended March 31, 2021 and 2022, respectively, and 0.9% and 0.8% of our operating income for each of the years ended March 31, 2021 and 2022, respectively.

Operating results of the ISRE segment are as follows:

	<b>Year ended March 31,</b>		<b>Year on Year change</b>
	<b>2021</b>	<b>2022</b>	<b>2022-21</b>
	<b>(₹ in millions)</b>		
Revenue (1)	8,912	7,295	(18.14)%
Cost of revenue	(7,282)	(6,063)	(16.74)%
Gross profit	1,630	1,232	(24.42)%
Selling and marketing expenses	(294)	(133)	(54.76)%
General and administrative expenses	(275)	74	(126.91)%
Segment results	1,061	1,173	10.56%
<b>As a percentage of revenue:</b>			
Selling and marketing expenses	3.30%	1.82%	(148)bps
General and administrative expenses	3.09%	(1.01)%	(410)bps
Gross margins	18.29%	16.89%	(140)bps
Segment results	11.91%	16.08%	417bps

- (1) For the purpose of segment reporting, we have included the impact of exchange rate fluctuations amounting to ₹ 5 million and ₹ Nil for the years ended March 31, 2021 and 2022, respectively, in revenue. Please see Note 34 of the Notes to the Consolidated Financial Statements for additional details.

### *ISRE results of operations for the years ended March 31, 2022 and 2021*

Our revenue from the ISRE segment decreased by 18.14% in the year ended March 31, 2022 compared to our revenue in the year ended March 31, 2021, primarily due to the completion of certain large SI deals during the year ended March 31, 2021.

Our gross profit as a percentage of our ISRE segment revenue decreased from 18.29% for the year ended March 31, 2021 to 16.89% for the year ended March 31, 2022. In absolute terms gross profit decreased by ₹ 398 million primarily due to decrease in revenue.

Selling and marketing expenses as a percentage of revenue from our ISRE segment decreased from 3.30% for the year ended March 31, 2021 to 1.82% for the year ended March 31, 2022. In absolute terms, selling and marketing expenses decreased by ₹ 161 million. This was primarily a result of the Company's cost efficiency efforts.

General and administrative expenses as a percentage of revenue from our ISRE segment decreased from 3.09% for the year ended March 31, 2021 to (1.01)% for the year ended March 31, 2022. In absolute terms, general and administrative expenses decreased by ₹ 349 million. This was primarily a result of the Company's cost efficiency efforts and reduction in lifetime expected credit loss by ₹ 79 million. Lifetime expected credit loss for the year ended March 31, 2022 decreased compared to the year ended March 31, 2021 due to collection of overdue accounts receivable.

As a result of the above, segment results as a percentage of our revenue from our ISRE segment increased by 417 bps, from 11.91% to 16.08%. In absolute terms, the segment results of our ISRE segment increased by ₹ 112 million.

### **Acquisitions**

Refer to Item 4 and Note 7 of the Notes to the Consolidated Financial Statements for a description of the acquisitions during the reported period.

### **Divestitures**

Refer to Note 26 of the Notes to the Consolidated Financial Statements for a description of the divestitures during the reported period.

### **Foreign exchange gains/(losses), net**

Our net foreign exchange gains/(losses) for the years ended March 31, 2021 and 2022 were ₹ 2,995 million and ₹ 4,355 million, respectively.

Our foreign exchange gains/(losses), net, comprise of:

- 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 expenses and finance and other income); and
- the changes in fair value for derivatives not designated as hedging derivatives and ineffective portions 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 shareholder's equity and subsequently recorded in the income statement when the hedged transactions occur, along with the hedged items.

Although our functional currency is the Indian Rupee, we transact a significant portion of our business in foreign currencies, including the U.S. Dollar, the Pound Sterling, the Euro, the Canadian Dollar and the Australian Dollar. The exchange rate between the Indian rupee and these currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of our operations are affected as the Indian rupee fluctuates against these currencies. Our exchange rate risk primarily arises from our foreign currency revenues, cash balances, payables, lease liabilities 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 14 and 19 of the Notes to the Consolidated Financial Statements for additional details on our foreign currency exposures.

The following table sets forth the currencies in which our revenues for fiscal year 2021 and fiscal year 2022 were denominated:

	<b>Year ended March 31,</b>	
	<b>2021</b>	<b>2022</b>
	<b>% of Revenues</b>	
U.S. Dollar (US\$)	61%	59%
Pound Sterling (GBP)	10%	11%
Euro (EUR)	8%	10%
Indian Rupee (INR)	5%	5%
Australian Dollar (AUD)	5%	5%
Canadian Dollar (CAD)	3%	3%
Others	8%	7%

The following table sets forth information on the foreign exchange rates in rupees per U.S. dollar, Pound Sterling, Euro, Australian dollar and Canadian dollar for fiscal year 2021 and fiscal year 2022:

	Year ended March 31,		Appreciation / (Depreciation) of INR in percentage
<u>Average exchange rate during the period:</u>	2021	2022	
U.S. Dollar (US\$)	74.27	74.41	(0.19)%
Pound Sterling (GBP)	97.03	101.70	(4.81)%
Euro (EUR)	86.61	86.58	0.03%
Australian Dollar (AUD)	53.26	54.99	(3.25)%
Canadian Dollar (CAD)	56.13	59.27	(5.59)%

	<b>Year ended March 31,</b>	
	<b>2021</b>	<b>2022</b>
<b>Exchange rate at the beginning of the year:</b>		
U.S. Dollar (US\$)	75.59	73.11
Pound Sterling (GBP)	93.32	100.65
Euro (EUR)	82.70	85.75
Australian Dollar (AUD)	46.03	55.66
Canadian Dollar (CAD)	53.02	58.02
<b>Exchange rate at the end of the year:</b>		
U.S. Dollar (US\$)	73.11	75.78
Pound Sterling (GBP)	100.65	99.41
Euro (EUR)	85.75	84.07
Australian Dollar (AUD)	55.66	56.73
Canadian Dollar (CAD)	58.02	60.50
<b>Appreciation / (Depreciation) of INR in percentage</b>		
U.S. Dollar (US\$)	3.28%	(3.65)%
Pound Sterling (GBP)	(7.85)%	1.23%
Euro (EUR)	(3.69)%	1.96%
Australian Dollar (AUD)	(20.92)%	(1.92)%
Canadian Dollar (CAD)	(9.43)%	(4.27)%

## Income taxes

Our profits for the period earned from providing services at client premises outside India may be subject to tax in the country where we perform the work. Most of our taxes 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 subject to taxation in India.

Currently, we benefit from certain tax incentives under Indian tax laws. These tax incentives include a tax holiday from payment of Indian corporate income taxes for our businesses operating from specially designated SEZs. Units in designated SEZs which began providing services on or after April 1, 2005, are 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. A 50% tax deduction is available for a further five years, subject to the SEZ unit meeting certain defined conditions. Profits from certain other undertakings are also eligible for preferential tax treatment. New SEZ units set up on or after April 1, 2021 are not eligible for the aforesaid deduction. We are also eligible for exemptions from certain other taxes, including customs duties in the Software Technology and Hardware Technology Parks.

Due to these tax incentives, 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 tax expense will increase. The expiration period of the tax holiday for each unit within a SEZ is determined based on the number of years since commencement of production by that unit for a maximum of fifteen years. The tax holiday period currently available to the Company expires in various years through fiscal year 2034-35. The impact of tax holidays has resulted in a decrease of current tax expense of ₹ 11,458 million and ₹ 16,483 million for the years ended March 31, 2021 and 2022, respectively, compared to the effective tax amounts that we estimate we would have been required to pay if these incentives had not been available. The per share effect of these tax incentives for the years ended March 31, 2021 and 2022 was ₹ 2.03 and ₹ 3.02, respectively.

We have calculated our domestic tax liability under normal provisions. Accordingly, no deferred tax assets are recognized towards MAT in the statement of financial position for the years ended March 31, 2021 and 2022. The effective MAT rate is 17.47%. The excess tax paid under MAT provisions over and above normal tax liability can be carried forward for a period of fifteen years and set-off against future tax liabilities computed under normal tax provisions.

In September 2019, the GoI amended the Income-tax Act by enacting The Taxation Laws (Amendment) Act, 2019, and has provided an option for companies to pay tax at a lower rate of 22% (plus surcharge and cess) by foregoing all the deductions available under chapter VI-A and other profit linked deductions under the Income-tax Act. This option, if exercised, is irrevocable and the corresponding MAT credit available will lapse. We have evaluated the option and have decided to continue under the existing regime and not to avail the lower tax rate. In the future, if we opt for the lower tax rate, it may lead to increase in tax outflow and the MAT credit available to us will lapse.

The Company's assessments are completed for the years up to March 31, 2018 in India. The Company has received demands on multiple tax issues in India. These claims are primarily arising out of denial of deduction under section 10A of the Income-tax act in respect of profits earned by the Company's undertaking in Software Technology Park at Bengaluru, the appeals filed against the said demand before the Appellate authorities have been allowed in favor of the Company by the second appellate authority for the years up to March 31, 2008, which either has been or may be contested by the Income tax authorities before the Hon'ble Supreme Court of India. Other claims relate to disallowance of tax benefits on profits earned from Software Technology Park and SEZ units, capitalization of research and development expenses, transfer pricing adjustments on intercompany / inter unit transactions and other issues.

Income tax claims against the Company amounting to ₹ 80,032 million and ₹ 92,476 million are not acknowledged as debt as at March 31, 2021 and 2022, respectively. These matters are pending before various Appellate Authorities and the management expects its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Company's financial position and results of operations.

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 adversely affected materially.

#### **Our ESG vision and key highlights for fiscal year ended March 31, 2022:**

Our business model is set around our overarching ESG goals. Our commitment to sustainability and ESG stems from the principle of 'double materiality': (i) our business' impact on the environment and communities, and (ii) the impact of environmental change on our business. While the impact of environmental change on our business is framed in terms of risks and opportunities for our business, our business' impact on the environment and communities is based on the core principles of corporate social responsibility and trust.

Below are the key features of our ESG initiatives:

##### **a. Environment**

Our sustainability program goes back fifteen years and comprises an established yet dynamically evolving set of initiatives that address our entire value chain on four key dimensions: energy and climate change, water, waste and biodiversity. Our goals are to:

- i. *Contribute effectively to addressing climate change:* We are committed to achieving net-zero greenhouse gas emissions by 2040, which is in line with the Paris Agreement's objective of limiting the global temperature increase to 1.5°C. We also set an intermediate target of a 55% reduction in our absolute emission levels by 2030 compared to 2017 for (a) direct emissions from sources owned or controlled by us ("**Scope 1**"); (b) indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by us ("**Scope 2**"); and (c) all other indirect emissions that occur in our value chain ("**Scope 3**"). These targets are based on the globally accepted SBTi and reflect significant decarbonization and operational changes that we will implement to achieve net-zero by 2040. The primary levers of our decarbonization drive are:
  - (a) improving the energy efficiency of our facilities for a sustained reduction in energy consumption;

- (b) increasing the use of renewable energy in our owned facilities in India through private power purchase agreements and captive solar power; and
- (c) combining behavioral, technological and collaborative approaches that help reduce the carbon footprint of air travel, commuting and purchased goods and services.

We have set interim targets of nearly 60% reduction in our greenhouse gas emissions by 2030 compared to 2017. By 2030, we plan to use 100% renewable energy for our electricity requirements in India, and progress towards 100% electric mobility for our transport operations. Simultaneously, we expect to achieve proportionate reductions in the carbon footprint associated with our business travel and our supply chain.

- ii. *Responsibly manage our use of scarce water resources:* We are committed to responsibly managing our use of scarce water resources by (a) reducing the absolute and area-based consumption intensity of externally procured freshwater in our operations by 50% by 2030 and (b) contributing to a deeper understanding of the systemic challenges of urban water in the major cities in India in which we operate.

Our water consumption is primarily due to air conditioning, cooking and washing in canteens, toilets, drinking water and gardening. Our approach has been to reduce dependence on freshwater through increasing wastewater recycling, minimizing pipe losses and expanding rainwater harvesting.

- iii. *Minimize waste generation from operations and its impact on communities:* We are committed to ensuring 100% of organic waste is recycled and to ensure that less than 2% goes to landfills (excluding construction and demolition waste) by 2025.

We continue to maintain the highest standards of solid waste management in all the four categories: food and organic, inorganic, hazardous materials and construction debris. We ensure reuse and certified recycling for between 98-100% of all our waste.

- iv. *Enhance the biodiversity quotient of owned campuses:* We are committed to incorporating biodiversity as a key element in the design and maintenance of all our owned campuses. While all our new campuses have incorporated biodiversity principles, our specific demonstration projects in our campuses in Bangalore and Pune have been acknowledged as trend-setters and levers for employee engagement. We have initiated a unique new project in our Hyderabad campus that serves to host and preserve endemic and endangered plant species of the eastern ghats in India.

As of March 31, 2022, 47% of our electricity consumption in India is from renewable sources and we plan to vigorously scale this up in the next three years through appropriate investments. We were one of the early adopters of the Green Building Standards and over the last decade, we have demonstrated an annualized improvement of nearly 3.6% in our energy efficiency on a compounded basis. This has translated into a net reduction in our absolute electricity consumption over this period with accompanying cost savings. Our adoption of a proactive, innovative approach to building design, architecture and energy consumption is exemplified in our new campuses in Bangalore and Hyderabad. Over the years, we have been recognized as global leaders and are consistently in CDP's "A List" of companies that are known for setting new benchmarks in their climate strategy and management.

Over the last fifteen years, we have steadily reduced our energy, water and waste footprint, incorporated biodiversity principles and remained steadfast in our commitment to a more sustainable, just and equitable society.

## **b. Social**

We are committed to enhancing workplace diversity and fostering a culture of inclusion, continuous learning, open communication and ethical conduct. Our social and community initiatives span a wide thematic spread in the domains of education, urban ecology and primary health care. Key features of our social initiatives are:

- i. Maintaining and enhancing workplace diversity and fostering a culture of inclusion that protects human dignity and empowers employees by (a) increasing diversity of gender, ethnicity and disability; (b) increasing female representation in senior leadership levels to 20% by 2025; and (c) fostering a company-wide culture of inclusion.
- ii. Empowering employees through a culture of continuous learning, open communication and ethical conduct by (a) providing ample opportunities at every stage of an employee's career cycle for the employee to engage in continuous learning that encourages innovative thinking and execution and (b) catalyzing and encouraging employees to internalize our values and culture as embodied in the Spirit of Wipro, the Brand Promise and the Five Habits.
- iii. Prioritizing health, well-being and safety at all times by adopting a holistic lifecycle approach that emphasizes the health and mental well-being of employees and cascading safe work practices across the value chain.
- iv. Contributing to societal progress and community well-being by working in a focused manner on the dimensions of education, ecology and primary health care. We also support proximate communities in times of extreme crisis.
- v. Building capacity in the academic ecosystem through faculty and student learning programs.

- vi. Collaboratively developing and enhancing a sustainable and responsible supply chain by proactively expanding the diversity of our supplier base with an active focus on women-owned enterprises, minority-owned enterprises and MSMEs. We are committed to responsible supplier conduct with respect to environmental and human rights in the supply chain and a transparent supplier governance process that guarantees fair practices and zero tolerance for corruption.

As of March 31, 2022, our workforce includes (a) 36.1% women; (b) 12.4% women in senior leadership roles; (c) 20% women across all management positions; and (d) 697 employees with disabilities.

As of March 31, 2022, over 28,000 employees globally have been a part of 92 immersive and interactive workshops on the Five Habits.

Our current projects consciously focus on children with disabilities and supporting government school infrastructure. We have a strong network of more than 200 partners across India and the rest of the world. Wipro Earthian is our flagship sustainability education program with outreach across India. We provide strategic support for improvements in STEM teaching and learning in the US and UK in partnership with institutes like the University of Massachusetts Amherst and Stanford in the US, and Kings College, London and Sheffield Hallam University in the UK.

We are expanding and strengthening our work on primary healthcare in urban slum communities and have 15 projects running across India. In the last two years, along with the Azim Premji Foundation, our integrated COVID-19 response has touched millions of lives on both humanitarian and healthcare fronts. Key highlights include converting our Pune facility into a full-fledged 450 bed COVID-19 hospital and using our canteen infrastructure to deliver three million cooked meals.

### c. Governance

- i. We are committed to building and maintaining the highest standards of governance at the board and executive levels through (a) effective sustainability risk oversight; (b) strong data privacy protection for stakeholders; (c) a rigorous and fair ombuds process; and (d) transparent and balanced disclosures.

**For more information on our ESG initiatives, please visit our website at [www.wipro.com](http://www.wipro.com).**

## 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, is summarized in the table below:

	<b>Year ended March 31,</b>		<b>Year on Year change</b>
	<b>2021</b>	<b>2022</b>	<b>2022-21</b>
	<b>(₹ in millions)</b>		
Net cash generated from /(used in):			
Operating activities	147,550	110,797	(36,753)
Investing activities	7,739	(224,495)	(232,234)
Financing activities	(128,840)	46,586	175,426
Net change in cash and cash equivalents	26,449	(67,112)	(93,561)
Effect of exchange rate changes on cash and cash equivalents	(890)	1,282	2,172

As of March 31, 2022, we had cash and cash equivalent and short-term investments of ₹ 345,491 million. Cash and cash equivalent and short-term investments, net of loans and borrowings, was ₹ 193,795 million.

In addition, we have unutilized credit lines of ₹ 56,685 million. 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 expenditures through our operating cash flows and through bank debt, as required.

Cash generated from operating activities for the year ended March 31, 2022 decreased by ₹ 36,753 million while profit for the year increased by ₹ 13,667 million during the same period. The decrease in cash generated by operating activities is primarily due to increased working capital requirements. Increase in our trade receivables, unbilled receivables and contract assets contributed ₹ 43,229 million towards the decrease in cash generated by operating activities. This was partially offset by an increase in trade payables and contract liabilities.

Cash generated from operating activities for the year ended March 31, 2021 increased by ₹ 46,907 million while profit for the year increased by ₹ 10,949 million during the same period. The increase in cash generated by operating activities is primarily due to decreased working capital requirements. This was partially offset by an increase in income tax payments during the year ended March 31, 2021.



Cash used in investing activities for the year ended March 31, 2022 was ₹ 224,495 million. Cash utilized towards payment for business acquisitions consummated during the year amounted to ₹ 129,846 million. Cash utilized towards purchase of investments (net of sale) amounted to ₹ 61,751 million. We purchased property, plant and equipment amounting to ₹ 20,153 million, which was primarily driven by the growth strategy of the Company. We also deposited an amount of ₹ 27,410 million into a specified bank account for payment of the interim dividend of ₹ 5 per equity share declared by the company on March 25, 2022.

Cash generated from investing activities for the year ended March 31, 2021 was ₹ 7,739 million. Cash generated from sale of investments (net of purchases) amounted to ₹ 16,808 million. Cash utilized for the payment for business acquisitions amounted to ₹ 9,873 million. We purchased property, plant and equipment amounting to ₹ 19,577 million, which was primarily driven by the growth strategy of the Company.

Cash generated from financing activities for the year ended March 31, 2022 was ₹ 46,586 million. This is primarily on account of net inflow from loans and borrowings of ₹ 68,310 million, including cash inflow from the Notes. This was partially offset by payment towards lease liabilities of ₹ 9,730 million, interim dividend of ₹ 5,467 million and interest and finance expenses of ₹ 5,089 million.

Cash used in financing activities for the year ended March 31, 2021 was ₹ 128,840 million. This is primarily on account of outflow for an equity share buyback (including tax on buyback and transaction cost related to buyback) amounting to ₹ 116,644 million. Payment toward the dividend for the year ended March 31, 2021 amounted to ₹ 5,459 million. This was partially offset by net inflow from loans and borrowings amounting to ₹ 6,212 million. Dividends paid in the year ended March 31, 2021 represents interim (and final) dividend declared for the year ended March 31, 2021 amounting to ₹ 1 per share.

The interim dividend of ₹ 5 per equity share announced on March 25, 2022 was subsequently paid to shareholders on April 19, 2022.

We maintain a debt/borrowing level that we have established through consideration of a number of factors including cash flow expectations, cash required for operations and investment plans. We continually monitor our funding requirements, and strategies are executed to maintain sufficient flexibility to access global funding sources, as needed. Please refer to Note 14 of our Notes to the Consolidated Financial Statements for additional details on our borrowings.

As of March 31, 2022, we have deferred certain payroll related tax liabilities in certain countries pursuant to COVID-19 relief measures enacted by the governments of the respective countries. We do not anticipate any liquidity challenges in paying these liabilities in the future.

As of March 31, 2022, we had contractual commitments of ₹ 11,376 million (US\$ 149.94 million) related to capital expenditures on construction or expansion of software development facilities and ₹ 22,767 million (US\$ 300.08 million) related to other purchase obligations. Plans to construct or expand our software development facilities are determined by our business requirements.

We completed our acquisition of CAS Group on April 11, 2022, and the payment of upfront cash consideration of ₹ 3,922 million was funded through cash and cash equivalents.

We completed our acquisition of Rizing on May 20, 2022, and the payment of upfront cash consideration of ₹ 44,622 million was funded through borrowings and cash and cash equivalents.

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 with respect to debt and borrowings. Our choices of sources of funding will be driven with the objective of maintaining an optimal capital structure.

We will rely on funds generated from operations and external debt to fund potential acquisitions and shareholder returns. We expect that our cash and cash equivalents, investments in short-term mutual funds and the cash flows expected to be generated from our operations in the future will generally be sufficient to fund the growth aspirations, as applicable.

In the normal course of business, we transfer certain accounts receivables, unbilled receivables and net investment in finance lease (financial assets) to banks on a non-recourse basis. The incremental impact of such transactions on our cash flow and liquidity for the years ended March 31, 2021 and 2022 is not material. Please refer to Note 19 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, as well as uncertainties around COVID-19. We cannot be certain that additional financing, if needed, will be available on favorable terms, if at all.

As of March 31, 2021 and 2022, our cash and cash equivalents were primarily held in Indian Rupees, U.S. Dollars, Pound Sterling, Euros, Canadian Dollars, Australian Dollars, Omani Riyals and Saudi Riyals. Please refer to “Financial risk management” under Note 19 of our Notes to the Consolidated Financial Statements for more details on our treasury activities.

The table of future payments due under known contractual commitments as of March 31, 2022, aggregated by type of contractual obligation, is given below:

Particulars	Total contractual payment	Payments due in		
		2022-23	2023-27	2027-28 onwards
		(₹ in millions)		
Loans, borrowings and bank overdrafts (1) (2)	157,572	97,693	59,879	—
Lease Liabilities (3)	27,735	9,923	16,167	1,645
Contingent consideration (4)	4,437	1,922	2,515	—
Interim dividend payable	27,337	27,337	—	—
Other liabilities	4,405	3,867	538	—
Capital commitments (5)	11,376	6,214	2,162	3,000
Purchase obligations	22,767	19,128	3,591	48

- (1) For further information on currency and interest rate structures, refer to Note 14 of the Notes to Consolidated Financial Statements.
- (2) Includes future cash outflow towards estimated interest on borrowings. 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, 2022 for each relevant debt instrument.
- (3) Includes future cash outflow toward deferred interest on lease liabilities and certain committed leases which have not yet commenced. For further information on lease liabilities, refer to Note 5 and Note 14 in the Notes to Consolidated Financial Statements.
- (4) The fair value of the contingent consideration is estimated by applying the discounted cash flow approach considering probability adjusted revenues and earnings estimates. The amount in the table above is the undiscounted fair value and does not include contingent consideration towards our acquisition of CAS Group.
- (5) Represents contractual commitments related to capital expenditures on construction or expansion of software development facilities.

Other non-current liabilities and non-current tax liabilities in the statement of financial position include ₹ 7,571 million in respect of employee benefit obligations and certain other liabilities and ₹ 17,818 million towards uncertain tax positions, respectively. For these amounts, the timing of repayment/settlement cannot be reliably estimated or determined at present and accordingly have not been disclosed in the table above.

#### Off-Balance Sheet Arrangements

Performance and financial guarantees are provided by banks on behalf of the Company to the Indian government, customers and certain other agencies, as part of the banks' line of credit arrangements. These arrangements are sometimes referred to as a form of off-balance sheet financing. Please refer to Notes 14 and 33 of the Notes to the Consolidated Financial Statements for more details.

#### Research and Development

We have committed, and expect to continue to commit, a portion of our resources to research and development initiatives. Our research and development initiatives are accelerating to focus on the discovery of innovative potential at the intersection of multiple technologies, intensifying and extending our capabilities across multiple new and emerging technology areas like blockchain technology, interactive experiences (AR, VR), 5G, quantum computing, software security, cognitive computing, autonomous vehicles, computer vision, natural language processing, robotics and drones, Computer Augmented Virtual Environment ("CAVE") and room-scale industrial holographic systems.

Our innovation centers, the Technovation Centre at Bengaluru, India and the Silicon Valley Innovation Center in Mountain View, California are state-of-the-art innovation incubation centers that build technology-led innovations to realize the "art of the possible" in emerging business environments for our enterprises around the world. These centers bring together an innovation ecosystem, a set of best practices, IP and research and development resources to help our clients develop successful initiatives. We have formed a 'center of excellence' to research applications of quantum computing in the areas of ML and optimization.

Our research and development expenses for the years ended March 31, 2021 and 2022 were ₹ 3,703 million and ₹ 2,926 million, respectively.

**Significant accounting policies, estimates and judgments**

Please refer to Notes 2(iv) and 3 of the Notes to Consolidated Financial Statements for a description of significant accounting policies, estimates and judgments.

## Item 6. Directors, Senior Management and Employees

Our directors and executive officers, along with their ages and positions as of March 31, 2022 are detailed below:

Name	Age	Position
Rishad A. Premji	45	Chairman of the Board (designated as “Executive Chairman”)
Azim H. Premji	76	Non-Executive, Non-Independent Director (designated as “Founder Chairman”)
Thierry Delaporte	54	Chief Executive Officer and Managing Director
William Arthur Owens	81	Independent Director
Ireena Vittal	53	Independent Director
Dr. Patrick J. Ennis	58	Independent Director
Patrick Dupuis	59	Independent Director
Deepak M. Satwalekar	73	Independent Director
Tulsi Naidu	48	Independent Director
Jatin Pravinchandra Dalal	47	President and Chief Financial Officer

Mr. M. K. Sharma retired as Independent Director of the Company with effect from June 30, 2021.

As of March 31, 2022, we had six non-executive independent directors, one non-executive non-independent director and two executive directors, of whom one executive director is Chairman of our Board. The non-executive and non-independent director and the Chairman of our Board belong to the promoter group. The remaining six non-executive directors are independent directors or independent of management and free from any business or other relationship that could materially influence their judgement. All of the independent directors satisfy the criteria of independence as defined under the SEBI Listing Regulations and the Companies Act, 2013 in India and the New York Stock Exchange Corporate Governance standards.

The profiles of our directors and executive officers are set forth below.

**Rishad A. Premji** is the Chairman of the Company and the Board, since July 31, 2019. Mr. Rishad A. Premji joined the Company in 2007 and became a member of the Board in May 2015. He also serves as a member on our Administrative and Shareholders/Investors Grievance Committee. Prior to being appointed the Chairman of the Company, he was the Chief Strategy Officer, responsible for shaping Wipro’s strategy to drive sustained and profitable growth. As the Chief Strategy Officer, he led Wipro’s M&A strategy and conceptualized Wipro Ventures – a US\$ 250 million fund to invest in start-ups developing technologies and solutions that will complement Wipro’s businesses with next-generation services and products. Mr. Rishad A. Premji was also responsible for Investor Relations and government relations for the company.

Mr. Rishad A. Premji is on the boards of Wipro Enterprises (P) Limited, a leading player in FMCG and Infrastructure Engineering and Wipro-GE, a joint venture between Wipro Enterprises (P) Limited and General Electric in the healthcare domain. In January 2022, Mr. Rishad A. Premji was also appointed as a Director on the Boards of Azim Premji Trust Services Private Limited and Azim Premji Trustee Company Private Limited. Separately, he is also on the Board of Azim Premji Foundation, one of the largest not-for-profit initiatives in India, which is focused on improving public school education, and works with over 350,000 government schools across seven states in India and on the Board of Azim Premji Philanthropic Initiatives, which provides grants to organizations that contribute to social change.

Mr. Rishad A. Premji was the Chairman of the National Association of Software and Services Companies (NASSCOM), the trade body of India’s US\$ 227 billion software industry, for financial year 2018-19.

Prior to joining Wipro Limited in 2007, Mr. Rishad A. Premji was with Bain & Company in London, working on assignments across the consumer products, automobile, telecom and insurance industries. He also worked with GE Capital in the US in insurance and consumer lending space and is a graduate of GE’s Financial Management Program.

Mr. Rishad A. Premji has an MBA from Harvard Business School and a BA in Economics from Wesleyan University in the US. In 2014, he was recognized as a Young Global Leader by the World Economic Forum for his outstanding leadership, professional accomplishments, and commitment to society. Mr. Rishad A. Premji is the son of Mr. Azim H. Premji, the Founder Chairman of the Company.

**Azim H. Premji** is the Non-Executive, Non-Independent Director of the Company (designated as “Founder Chairman”), since July 31, 2019. Mr. Premji was the Chairman of the Board of Wipro Limited until July 30, 2019, and has been at its helm since the late 1960s, turning what was then a small cooking fat company into a US\$ 10 billion revenue group with businesses in IT, Consulting and Business Process Services with a presence in over 56 countries. Mr. Premji also serves as Chairman of Wipro Enterprises (P) Limited and as a director of Wipro GE Healthcare Private Limited and in other entities of the promoter group. Mr. Premji has established the Azim Premji Foundation and its related entities, which do extensive philanthropic work in India. The work spans from deep-on-the-ground efforts focused on improving public school education, working directly in seven states of India which have over 350,000 schools, to running the not-for-profit Azim Premji University which is focused on programs in education and related fields of human development and providing support through multi-year financial grants to other not-for-profit organizations working in specific areas such as reduction of child stunting, improvement of local governance and alleviation of the conditions of the most vulnerable groups. Over the years, Mr. Premji has received numerous honors and accolades, which he considers as recognitions for Wipro and the Foundation teams. Mr. Premji is the first Indian recipient of the Faraday Medal. The Republic of France bestowed upon him the highest French civilian distinction, the Chevalier de la Legion d’Honneur (Knight of the Legion of Honor) in November 2018. In January 2011, he was conferred with Padma Vibhushan, the second highest civilian

award in India. The Carnegie Medal of Philanthropy was bestowed on him in 2017. Business Today and Ernst & Young conferred Mr. Premji with a Lifetime Achievement Award in 2018. Mr. Premji has been listed as one of the most influential people in the world by several global publications including Time, Financial Times, Forbes and Fortune. BusinessWeek listed him among the top 30 entrepreneurs in world history. The Journal of Foreign Policy listed him among the top global thinkers. Mr. Premji has a graduate degree in Electrical Engineering from Stanford University. Mr. Premji is the father of Mr. Rishad A. Premji, the Chairman of the Board and the Company.

**Thierry Delaporte** is the Chief Executive Officer and Managing Director of the Company since July 6, 2020. With 27 years of experience in the IT services industry, Mr. Delaporte brings strategic insight to Wipro's leadership team, and deep operational knowledge of driving business growth, furthering partnerships, and leading cross-cultural teams.

Prior to joining Wipro, Mr. Delaporte held various leadership positions in Capgemini since 1995, including that of Chief Operating Officer from September 2017 to May 2020, and was a member of the Group Executive Board. He led Capgemini's strategic planning and operations for several key businesses and led the group's transformation agenda. On March 24, 2022, the Board of Directors of Compagnie de Saint-Gobain, approved the appointment of Mr. Delaporte as an Independent Director for a term of four years. The said appointment was approved by the shareholders of the company at the general meeting held on June 2, 2022.

Passionate about meaningful change, Mr. Delaporte believes prioritizing people and customers, and streamlining processes, are the keys to success in today's digital world. He is also the co-founder of "Life Project 4 Youth", a not-for-profit organization dedicated to the professional and social integration of young adults living in extreme poverty.

Mr. Delaporte holds a bachelor's degree in economy and finance from Sciences Po Paris, and a Master of Laws from the Sorbonne University.

**William Arthur Owens** has served as a director on our Board since July 2006. He currently serves as the Chairman of our Board Governance, Nomination and Compensation Committee. He has held a number of senior leadership positions at large multinational corporations. Mr. Owens served as the Chairman of the Board of CenturyLink from July 2009 to May 2017. He is also the Executive Chairman of Red Bison Advisory Group ("RBAG"). RBAG is a company in the natural resources (oil, gas and fertilizer plants) and information and communication technology sectors. Mr. Owens is also the executive chairman of Red Bison Technology group which provides high-speed telecom networks for major office buildings and residential buildings. Mr. Owens previously served as the Chairman and Managing Director of AEA Investors (Asia) from April 2006 to December 2015 and has served as Managing Director, Chairman and Chief Executive Officer of AEA Holdings Asia, a New York private equity company. Mr. Owens also served as Vice Chairman of the New York Stock Exchange, Asia from June 2012 to June 2014, as well as Chief Executive Officer and Vice Chairman of the Board of Directors of Nortel Networks Corporation, a global supplier of communications equipment from April 2004 to November 2005. Prior to that, Mr. Owens served as Chairman and Chief Executive Officer of Teledesic LLC, a satellite communications company from August 1998 to April 2004. During that same period, Mr. Owens also served as Chairman and Chief Executive Officer of Teledesic LLC's affiliated company, Teledesic Holdings Ltd. Mr. Owens was President, Chief Operating Officer and Vice Chairman of Science Applications International Corporation from June 1996 to August 1998. Mr. Owens was a career officer in the U.S. Navy where he served as commander of the U.S. Sixth Fleet in 1990 and 1991, and as senior military assistant to Secretaries of Defense Frank Carlucci and Dick Cheney. Mr. Owens' military career culminated in his position as Vice Chairman of the Joint Chiefs of Staff where he had responsibility for the reorganization and restructuring of the armed forces in the post-Cold War era. Mr. Owens is widely recognized for bringing commercial high technology into the U.S. Department of Defense for military applications and as the architect of the Revolution in Military Affairs, an advanced systems technology approach to military operations.

Mr. Owens is also a member of several philanthropic and private company boards. Mr. Owens was a member of the Board of Directors of Daimler Chrysler AG from November 2003 to April 2009, Embarq Corporation from May 2006 to July 2009 and Nortel Networks Corporation from February 2002 to November 2005. Mr. Owens is a director of the following private companies: Knowlabs, Tethr Prism, TruU, Kyrrex, the Compass SPAC, Goldstein Roth and Versium.

Mr. Owens is on the advisory board of the following private companies: Carillon Technologies, Healthmine, Platform Science, Sarcos, Sierra Nevada Corporation and Vodi. Mr. Owens is on the board of trustees at Seattle University, and board member of the Center for State-led National Debt Solutions, which aims to establish a balanced budget amendment to the U.S. Constitution. He is also a member of the Council of Foreign Relations. 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.

**Ireena Vittal** became a director of the Company in October 2013. She serves as a member of our Audit, Risk and Compliance Committee and Board Governance, Nomination and Compensation Committee. Ms. Vittal is also the lead independent director of the Company. Ms. Vittal is among India's most respected consultant and advisor. She was a partner with McKinsey & Co. for 16 years, where she served global companies on issues of growth and sustainable scale-up. She has also co-authored books on agriculture and urbanization and served government and public institutions to design and implement solutions core to India's development in the areas of inclusive urban development and sustainable rural growth. Ms. Vittal serves as a board member of Godrej Consumer Products Limited, HDFC Limited, Compass Plc and Diageo Plc. She is a member of the Audit Committee and Nomination and Remuneration Committee of all the 4 boards.

Ms. Vittal has a graduate degree in Electronics from Osmania University and has completed her Master's in Business Administration from the Indian Institute of Management, Calcutta.

**Dr. Patrick J. Ennis** became a director of the Company in April 2016 and serves as a member of our Administrative and Shareholders/Investors Grievance Committee. Dr. Ennis has more than 30 years of experience as a scientist, engineer, businessman and venture capitalist. He is currently a Venture Partner at Madrona Venture Group. With effect from July 2021, Dr. Ennis joined the Board of Chavant Capital Acquisition Corp., a special purpose acquisition company traded on Nasdaq. Previously he was Global Head of Technology for Intellectual Ventures where he led start-up incubation and technology commercialization around the world. He was also the founding CTO of Xinova. Previously, he was at ARCH Venture Partners where he built start-ups from universities and national labs. He also held positions with Lucent, AT&T and Bell Labs, and conducted research in Nuclear Physics at labs in North America and Europe. He is an inventor of several patents, has written articles and book chapters and is a frequent invited speaker.

Dr. Ennis has served on numerous corporate, educational, and non-profit boards. He earned a PhD and M.S. in Physics from Yale, an M.B.A. from Wharton and a B.S. in Math and Physics from the College of William & Mary, where he was elected to Phi Beta Kappa.

**Patrick Dupuis** became a director of the Company in April 2016. He serves as a member of our Board Governance, Nomination and Compensation Committee. Currently, Mr. Dupuis provides executive coaching for c-suite and mid-career executives, and is deeply engaged in a number of social and philanthropic ventures, with a special emphasis on housing equity in the Silicon Valley. He previously served as advisor and interim executive for Hellman & Friedman, based in San Francisco, during the preparation for the execution of the merger between Kronos and Ultimate Software. He is a former officer of global technology platform and payments leader, PayPal Holdings, Inc., where he facilitated the company's listing on Nasdaq in 2015 and its double-digit global expansion, serving as Chief Financial Officer, then SVP for Quality and Productivity. Prior to joining PayPal, Mr. Dupuis was Chief Financial Officer of SITEL Worldwide Corporation, a leader in customer service and Chief Financial Officer of BJC HealthCare, one of the largest non-profit health care organizations in the United States. He started his career in 1984 at General Electric, where he held multiple executive positions over 20 years, including head of GE's famed Audit Staff, Chief Financial Officer of GE Healthcare and General Manager of GE Capital International Services (now, Genpact). Throughout his career, Mr. Dupuis has been an enabler of growth, transformation at scale and organization effectiveness. He is a committed coach and mentor for middle and senior executives. Mr. Dupuis graduated from the École de Management de Lyon in France.

**Deepak M. Satwalekar** became a director of the Company in July 2020. Mr. Satwalekar is the Chairman of our Audit, Risk and Compliance Committee and Administrative and Shareholders/Investors Grievance Committee. Mr. Deepak M. Satwalekar was the Managing Director of HDFC Ltd., India's first and largest specialized provider of housing finance. He then became Managing Director and CEO of HDFC Standard Life Insurance Co. Ltd. (2000-2008), the first private-sector life insurance company registered in India after 1956.

Mr. Satwalekar has also been a consultant to the World Bank, the Asian Development Bank, the United States Agency for International Development (USAID), and the United Nations Human Settlements Programme (HABITAT). He serves on the India Advisory Board of a large European bank, and is active on advisory boards of several non-profit organizations supporting primary education for the low-income and underprivileged communities in rural and urban India. He is on the board of SINE, a technology incubator at Indian Institute of Technology ("IIT"), Bombay.

Mr. Satwalekar has chaired the RBI Committee on corporate governance in public sector banks, and was a member of several industry and government/regulatory authority committees, including the Insurance Regulatory and Development Authority of India ("IRDAI") and Pension Fund Regulatory & Development Authority ("PFRDA"). He received the Distinguished Alumnus Award from IIT, Bombay. He is currently the Chairman on the Board of Governors of the Indian Institute of Management, Indore.

Mr. Satwalekar is currently the Chairman of Asian Paints Limited and serves as a member of its Corporate Social Responsibility Committee and Investment Committee. He is also the Chairman of Home First Finance Company India Limited and is on the Board of Germinait Solutions Private Limited. Mr. Satwalekar was on the Boards of Piramal Enterprises Limited and Piramal Capital & Housing Finance Ltd. until July 26, 2021.

Mr. Satwalekar holds a Bachelor's Degree of Technology in Mechanical Engineering from Indian Institute of Technology, Bombay and Masters in Business Administration from The American University, Washington D.C., USA.

**Tulsi Naidu** became a director of the Company in July 2021 and serves as a member of our Audit, Risk and Compliance Committee. She has 26 years of financial services experience in Europe and Asia. She is CEO Asia Pacific of Zurich Insurance Group (Zurich), a member of Zurich's Executive Committee and a trustee of the Z Zurich Foundation and serves on various Zurich Group subsidiary boards. Ms. Naidu was appointed CEO of Zurich's UK business in November 2016 and implemented an extensive transformation program – reshaping the business, simplifying structure, improving technical and digital capabilities, and positioning it for growth in its core markets. Ms. Naidu serves as a board member of Zurich Australia Limited and Onepath Life Limited with effect from January 1, 2022.

Prior to joining Zurich, Ms. Naidu spent 14 years at Prudential in a variety of executive positions across their UK and Europe business. Her last position with Prudential was Executive Director, UK & Offshore. She was previously Chief Operating Officer for Prudential UK and Europe and prior to that held several general management roles at Prudential focused on driving strategic transformational change.

Ms. Naidu holds a Post Graduate Diploma in Management from Indian Institute of Management, Ahmedabad and bachelor's degree in Mathematics, Economics and Statistics from Nizam College, Hyderabad.

**Jatin Pravinchandra Dalal** is the President and Chief Financial Officer of the Company. Mr. Dalal was appointed as Chief Financial Officer of the Company with effect from April 1, 2015 and has served with the Company in other positions since July 2002. Mr. Dalal holds a Bachelor of Mechanical Engineering degree from National Institute of Technology, Surat and PGDBA (Full time MBA) in Finance with International Business from Narsee Monjee Institute of Management Studies ("NMIMS"), Mumbai. Mr. Dalal is a qualified Chartered Accountant (CA), India, Cost and Management Accountant (CMA), India, Chartered Global Management Accountant (CGMA), UK and a Chartered Financial Analyst (CFA), U.S.A. Mr. Dalal has completed The Strategic Decision-Making Mindset course from The Wharton School, University of Pennsylvania and Stanford Advanced Computer Security course from Stanford University. Mr. Dalal is on the Listed Company Advisory Board at New York Stock Exchange. Mr. Dalal previously worked with General Electric and Lazard between 1999 and 2002.

## **Compensation**

### **Director Compensation**



Our Board Governance, Nomination and Compensation Committee determines and recommends to our Board of Directors the compensation payable to our directors. The Board of Directors, in turn, approves and recommends such compensation to the shareholders for their approval. All

board-level compensation is subject to approval by our shareholders. Each of our non-executive directors receives an attendance fee per meeting of ₹ 100,000 (US\$ 1,318.04) for every Board 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-executive 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, in the aggregate, for all non-executive directors put together, as approved by the shareholders. Further, the non-executive non-independent director is entitled to maintenance of Founder Chairman's office, including an executive assistant at Company's expense and reimbursement of travel, stay and entertainment expenses actually and properly incurred in the course of business as per the Company's policy.

The Board Governance, Nomination and Compensation Committee has created a policy for selection and appointment of Directors, including determining qualifications and independence of directors, key managerial personnel and senior management personnel, and their respective remuneration, as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013.

The aggregate commission to our non-executive directors for the year ended March 31, 2022 is ₹ 122.20 million (US\$ 1.61 million). There were no stock options granted to non-executive directors as of March 31, 2022 and the details of shares held by non-executive directors as of March 31, 2022 are reported elsewhere in this Item 6 under the section titled "Share Ownership".

## Executive Compensation

The annual compensation of our executive directors is approved by the Board Governance, Nomination and Compensation Committee, within the parameters set by the shareholders at the general meeting. Remuneration of our executive officers, including our executive directors, consists of a fixed component and a variable performance linked incentive. The variable performance linked incentive portion is earned under our Variable Pay Scheme. This is a variable pay program for all employees, including executive officers, which is deemed to be part of each employee's salary. The variable pay of our executive officers, including the Chief Executive Officer and Managing Director, is based on clearly laid out criteria and measures, which are linked to the desired performance and business objectives of the organization. The criteria for variable pay, which is paid out quarterly / annually, includes financial parameters like revenue, profit achievement, operating margin achievement and other strategic goals as decided by the Board from time to time. Apart from the variable pay component, long term (typically greater than one year) incentives granted to executive officers, including the Chief Executive Officer and Managing Director, include both time-based Restricted Stock Units ("RSUs") and performance-based stock units ("PSUs").

The following table presents the annual and long-term compensation earned, awarded or paid for services rendered for the fiscal year 2022 by our executive officers. For the convenience of the readers, the amounts paid / payable in India rupees have been converted into U.S. dollars based on the certified foreign exchange rates published by the Federal Reserve Board of Governors on March 31, 2022 which was ₹ 75.87 per \$1.

Name	Salary and allowances US\$	Commission/ variable Pay US\$	Others US\$	Long-term compensation (Deferred Benefit) (4) (5) US\$	Total US\$
Rishad A. Premji (1)(2)	1,119,362	634,487	1,255	63,918	1,819,022
Thierry Delaporte (3)(6)	1,739,157	2,548,069	4,192,022	2,039,926	10,519,174
Jatin Pravinchandra Dalal (6)	322,580	222,048	995,754	50,760	1,591,142

- (1) Mr. Rishad A. Premji is entitled to a commission at the rate of 0.35% on incremental consolidated net profits of Wipro Limited for fiscal year 2022 over the previous fiscal year.
- (2) Mr. Rishad A. Premji's compensation also included cash bonus (part of his fixed salary) on an accrual basis, which is payable over a period of time.
- (3) The compensation disclosed for Mr. Thierry Delaporte includes components such as a one-time cash award, as per the terms approved by the shareholders at the Annual General Meeting of the Shareholders in July 2020.
- (4) Deferred benefits are payable to employees by way of our contribution to the Provident Fund, Pension Fund and Social Insurance (health and retirement funds) as applicable. The Provident Fund is a statutory fund to which the Company 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.
- (5) 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 at the date of separation, death, disability or retirement.
- (6) The remuneration of executive officers is computed on an accrual basis. It includes the amortization of RSUs granted to them, which vest over a period of time and RSUs that will vest based on performance parameters of the Company.

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.

There were no stock options granted to Mr. Rishad A. Premji in fiscal year 2022. Details of stock options granted to executive director as of March 31, 2022 and stock options held and exercised by executive officers through March 31, 2022 are reported elsewhere in this Item 6 under the section titled "Share Ownership."

## 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 of directors shall be fifteen which may be increased by passing a special resolution of the shareholders. As of March 31, 2022, we had nine 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. Independent directors are not subject to retirement by rotation and the Chairman of our Board is not subject to retirement by rotation. Accordingly, our Chief Executive Officer and Managing Director, and non-executive non-independent director, are currently subject to retirement by rotation. The position of the terms of all directors are as given below.

Name	Expiration of current term of office	Term of office
Rishad A. Premji	July 30, 2024	5 years
Azim H. Premji	July 30, 2024	5 years
Thierry Delaporte	July 5, 2025	5 years
William Arthur Owens	July 31, 2022	5 years
Ireena Vittal	September 30, 2023	5 years
Dr. Patrick J. Ennis	March 31, 2026	5 years
Patrick Dupuis	March 31, 2026	5 years
Deepak M. Satwalekar	June 30, 2025	5 years
Tulsi Naidu (1)	June 30, 2026	5 years

- (1) On May 13, 2021, the Board of Directors approved the appointment of Ms. Tulsi Naidu as an Independent Director for a term of five years, with effect from July 1, 2021 to June 30, 2026. The said appointment was approved by shareholders of the Company at the 75<sup>th</sup> Annual General Meeting held on July 14, 2021.

### Terms of Employment Arrangements

Under the Companies Act, 2013, our shareholders must approve the salary, bonus and benefits of all executive directors at a general meeting of the Shareholders. Each of our executive directors has 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, but either we or the executive director may generally terminate the agreement upon six months' notice to the other party.

The terms of our employment arrangements with Mr. Rishad A. Premji, Mr. Thierry Delaporte and Mr. Jatin Pravinchandra Dalal provide for up to a 180-day notice period, and country-specific leave allowances in addition to statutory holidays, and an annual compensation review. Additionally, these officers are required to relocate as we may determine, and to comply with confidentiality provisions. Service contracts with our executive directors and officers 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.

Pursuant to the terms of the employment arrangement with Mr. Delaporte, if his employment is terminated by the Company without Cause, the Company is required to pay Mr. Delaporte, severance pay of 12 months' base salary as last applicable when in service, payable over a 12 month period following the date of termination. These payments will cease if Mr. Delaporte obtains a new employment within the 12 months period or becomes a consultant to any company.

We also indemnify our directors and officers for claims brought under any rule of law to the fullest extent permitted by applicable law.

Among other things, we agree to 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 the Company, arising out of such person's services as our director or officer, including claims which are covered by the director's and officer's liability insurance policy taken by the Company.

### Board Committee Information

#### Audit, Risk and Compliance Committee

The Audit, Risk and Compliance Committee of our Board reviews, acts on and reports to our Board of Directors with respect to various auditing and accounting matters. The roles and responsibilities include overseeing:

- 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, discussions with the independent auditors regarding 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 and functioning of whistle blower mechanism;
- Implementation of the applicable provisions of the Sarbanes Oxley Act of 2002 (the "**Sarbanes Oxley Act**"), including review of the progress of internal control mechanisms to prepare for certification under Section 404 of the Sarbanes Oxley Act;
- Review of utilization of loans and advances from, and investment by, the Company in its subsidiaries exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower, including existing loans, advances and investments;
- Evaluation of internal financial controls, monitoring and reviewing of the risk management plan and such other functions including cyber security as the Board of Directors may deem fit;
- To formulate a detailed risk management policy which shall include:

- a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (specifically, environmental, social and governance related risks and impact), information and cyber security risks

- b) Measures for risk mitigation
- c) Systems for internal controls
- d) Business contingency plan
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management and internal control systems;
- Evaluate risks related to cyber security and significant risk exposures of the Company and assess steps taken by the management to mitigate the exposures in a timely manner (including business continuity and disaster recovery planning).

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

Independent auditors as well as internal auditors have independent meetings with the Audit, Risk and Compliance Committee and also participate in the Audit, Risk and Compliance Committee meetings.

Our Chief Financial Officer 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. Deepak M. Satwalekar – Chairman

Ms. Ireena Vittal and Ms. Tulsi Naidu – Members

During the year ended March 31, 2022, our Audit, Risk and Compliance Committee held six meetings. The charter of the Audit, Risk and Compliance Committee is available under the investor relations section on our website at [www.wipro.com](http://www.wipro.com).

### **Board Governance, Nomination and Compensation Committee**

The Board Governance, Nomination and Compensation Committee reviews, acts on and reports to our Board of Directors with respect to various governance, nomination and compensation matters. The roles and responsibilities include:

- Identifying, and recommending to the Board for appointment or removal of directors and senior management, in accordance with the criteria laid down, and carrying out evaluations of each director's performance.
- Developing and recommending to the Board corporate governance guidelines applicable to the Company;
- Evaluating 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;
- Establishing policies and procedures to assess the requirements for induction of new members to the Board;
- Implementing policies and processes relating to corporate governance principles;
- Ensuring that appropriate procedures are in place to assess Board membership needs and Board effectiveness;
- Reviewing the Company's policies that relate to matters of corporate social responsibility ("CSR"), including public issues of significance to the Company and its shareholders;
- Formulating the Disclosure Policy, its review and approval of disclosures;
- Approving and evaluating the compensation plans, policies and programs for full-time directors and senior management;
- Acting as Administrator of the Company's Employee Stock Option Plans and Employee Stock Purchase Plans drawn up from time to time;
- Reviewing and recommending of all remuneration, in whatever form, payable to senior management; and
- Implementing an effective mechanism for succession planning, which focuses on orderly succession of Directors, including Executive Directors and other senior management team and other executive officers.

Our Chief Human Resources Officer makes periodic presentations to the Board Governance, Nomination and Compensation Committee on compensation reviews and performance linked compensation recommendations. All members of the Board Governance, Nomination and Compensation Committee are independent non-executive directors. The Board Governance, Nomination and Compensation Committee is the apex body that oversees our CSR policy and programs. The Board Governance, Nomination and Compensation Committee is comprised of the following three non-executive directors:

Mr. William Arthur Owens – Chairman

Ms. Ireena Vittal and Mr. Patrick Dupuis – Members

During the year ended March 31, 2022, our Board Governance, Nomination and Compensation Committee held five meetings. The charter of the Board Governance, Nomination and Compensation Committee is available under the investor relations section on our website at [www.wipro.com](http://www.wipro.com).

#### **Administrative and Shareholders/Investors Grievance Committee (also known as Stakeholders Relationship Committee)**

The Administrative and Shareholders/Investors Grievance Committee reviews, acts on and reports to our Board of Directors with respect to various matters relating to stakeholders. The roles and responsibilities include:

- Redressal of grievances of the shareholders of the Company pertaining to transfer or transmission of shares, non-receipt of annual report and declared dividends, issue of new or duplicate share certificates, and grievances pertaining to corporate actions;
- Approving consolidation, split or sub-division of share certificates, transmission of shares, issue of duplicate share certificates, re-materialization of shares;
- Reviewing the grievance redressal mechanism implemented by the Company in coordination with Company's Registrar and Transfer Agent ("RTA") from time to time;
- Reviewing the measures taken by the Company for effective exercise of voting rights by shareholders;
- Implementing and overseeing the procedures and processes in handling and maintenance of records, transfer of securities and payment of dividend by the Company, RTA and dividend processing bank;
- Reviewing the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants, annual reports and statutory notices by the shareholders of the Company;
- Overseeing administrative matters like opening and closure of Company's bank accounts, grant and revocation of general, specific and banking powers of attorney; and
- Considering and approving allotment of equity shares pursuant to exercise of stock options, setting up branch offices and other administrative matters as delegated by Board from time to time.

The Committee is comprised of the following three Directors:

Mr. Deepak M. Satwalekar – Chairman

Mr. Rishad A. Premji and Dr. Patrick J. Ennis – Members

During the year ended March 31, 2022, our Administrative and Shareholders/Investors Grievance Committee held four meetings. The charter of the Administrative and Shareholders/Investors Grievance Committee is available under the investor relations section on our website at [www.wipro.com](http://www.wipro.com).

#### **Employees**

As of March 31, 2020, 2021 and 2022, we and our subsidiaries had more than 175,000, 200,000 and 240,000 employees, respectively. As of March 31, 2020, 2021 and 2022, more than 41,000, 41,000 and 51,000, respectively, of these employees were located outside India. We have increasingly focused on hiring local resources in the countries where we operate. 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 relationship with employees and employee groups are based on mutual trust and respect and we continue to maintain the same spirit at all times.

#### **Recruiting**

An organization is only as good as its people, and we ensure we bring extraordinary people to Wipro. Propelled by this recruitment philosophy, we continue to take great strides to attract diverse talent across the organization's hiring spectrum: from global early talent programs, to experienced lateral hires, to senior leadership roles. We adopt a multi-channel recruitment approach which leverages our careers website, social media, employee referral programs, advertisements, job boards, placement consultants and walk-ins. Employer brand awareness is another key pillar of our recruitment strategy. To facilitate employee growth within the Company, new openings are also made available to our existing employees. Through internal mobility and redeployment, we open up a world of opportunities and retain our best talent.

#### **Training**

Our approach to developing talent is to continuously reskill team members to be ready and relevant for current and future needs of our customers. We focus on building technology skills coupled with domain awareness. We have a robust learning and development program that encourages each IT professional to attend continuing education classes to improve their understanding and competency with new technologies, domain, process, as well as to develop leadership and personal self-development skills.

Each of our new entry level recruits go through an intense training program tailored to their area of technology and domain. In addition to



technology trainings, they are also given trainings on behavioral skills, organizational policies and culture. We supplement our continuing education program as part of our flagship Work Integrated Learning Program (“**WILP**”) for employees by sponsoring special programs at leading educational institutions, such as the Birla Institute of Technology and Science – Pilani, Symbiosis International University - Pune and others to provide special skill set training in areas such as advanced technology, management, business and project management skills to our IT professionals who meet the eligibility criteria of these Institutes. Individuals who want to specialize in a technology area and build architectural capabilities go through Architect Career Essentials (“**ACE**”) program. We provide trainings on leadership to our employees such as Global Wipro Leaders, Global Business Leadership, and Accelerating Digital Aptitude (aDapt).

## Performance Evaluations

Our performance philosophy is based on building a high-performance culture with a foundation of fairness, transparency, meritocracy and development. The purpose of a role drives the outcomes. Performance objectives are developed in alignment with outcome, during a discussion between the manager and the team member. The manager and team member can have a formal connect every quarter to discuss the progress and share candid feedback. The Quarterly appraisals culminate into an annual formal review process, which includes self-reviews, manager review and performance calibration at the business unit level, resulting in an annual rating. Appropriate development plans and interventions are then charted out based on discussion between manager and employee. Differentiation of high performers is ensured in relevant talent management processes.

## Compensation

We continually strive to provide our employees with compensation packages that incentivizes consistent and sustainable corporate performance, enables retention of high performing and high potential talent. Our compensation philosophy also aims to recognize individual performance while emphasizing on team results and outcomes. We aim to conduct assessments of pay competitiveness vis-à-vis the identified peers, markets and geographies. We recognize the size and scope of the role and the market standing, skills and experience of incumbents while positioning them from a total rewards perspective.

Our pay mix comprises of cash-based components like fixed pay and short-term incentives (variable pay), non-cash components include benefits like retinals, health insurance etc. Our leaders are also granted long-term incentives (equity pay). Compensation for executives is tied to delivery of long-term, sustainable value to shareholders and other stakeholders. Accordingly, a meaningful portion of pay is subject to achievement of short and long-term corporate and business unit performance goals. We have adopted stock incentive plans over the years, like our employee stock purchase plan in 1984, employee stock option plans, adopted in 1999 and 2000, and restricted stock unit option plans in 2004, 2005 and 2007, and the Wipro Equity Reward Trust employee stock purchase plan in 2013, as part of the Company's compensation program.

## Share Ownership

The following table sets forth, as of March 31, 2022, for each director and executive officer, the total number of equity shares, ADSs and vested and unexercised options to purchase equity shares and ADSs exercisable within 60 days of March 31, 2022. Beneficial ownership is determined in accordance with the rules of the SEC. 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. The number of shares beneficially owned includes equity shares, equity shares underlying ADSs and the shares subject to vested options that are currently exercisable or exercisable within 60 days of March 31, 2022. Our directors and executive officers do not have a differential voting right with respect to their equity shares, ADSs, or options to purchase equity shares or ADSs. 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 Governors on March 31, 2022, which was ₹ 75.87 per \$1. The share numbers and percentages listed below are based on 5,482,070,115 equity shares outstanding as of March 31, 2022.

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)	4,001,950,248	73.00	—	—	—
Thierry Delaporte (3)	118,000#	*	900,000**	0.03	June 2023
			200,000**	0.03	July 2024
			400,356**	0.03	July 2024
			133,452**	0.03	November 2025
			593,120**	0.03	November 2028
Rishad A. Premji	1,738,057***	*	—	—	—
William Arthur Owens	—	—	—	—	—
Ireena Vittal	—	—	—	—	—
Patrick Dupuis	—	—	—	—	—
Patrick J. Ennis	—	—	—	—	—
Deepak M. Satwalekar	—	—	—	—	—
Tulsi Naidu	—	—	—	—	—
Jatin Pravinchandra Dalal (2)(3)	210,621	*	140,000	0.03	July 2023
			48,000	0.03	August 2023
			77,189	0.03	July 2024
			31,500	0.03	August 2024
			40,200	0.03	November 2024
			33,082	0.03	November 2025

- (1) Includes 928,946,043 shares held by Hasham Traders (a partnership firm), of which Mr. Azim H. Premji is a partner, 1,119,892,315 shares held by Prazim Traders (a partnership firm), of which Mr. Azim H. Premji is a partner, 1,135,618,360 shares held by Zash Traders (a partnership firm), of which Mr. Azim H. Premji is a partner, 1,425,034 shares held by Hasham Investment and Trading Company Pvt. Ltd., of which Mr. Azim H. Premji is a director, 558,676,017 shares held by Azim Premji Trust, of which Azim Premji Trustee Company Private Limited is the trustee company, of which Mr. Azim H. Premji is a director and shareholder, and 242,823,816 shares held by Mr. Azim H. Premji and members of his

immediate family. In addition, 14,568,663 shares are held by Azim Premji Philanthropic Initiatives Private Limited. Mr. Azim H. Premji disclaims beneficial ownership of 14,568,663 shares held by Azim Premji Philanthropic Initiatives Private Limited and 558,676,017 shares held by Azim Premji Trust.

- (2) The equity shares beneficially owned include vested and unexercised options to purchase equity shares exercisable within 60 days of March 31, 2022.
  - (3) The equity shares underlying options granted include options that will vest based on performance parameters of the Company.
- # Represents ADS having equivalent underlying equity shares, acquired pursuant to exercise of stock options.
- \* Represents less than 1% of the total equity shares outstanding as of March 31, 2022.
- \*\* Represents ADS Stock Options having equivalent underlying equity shares.
- \*\*\* Equity shares held by Mr. Rishad A. Premji are jointly with his relative and included in shareholding of Mr. Azim H. Premji.

## Employee Stock Option Plans

We have various employee stock option 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 Board Governance, Nomination and 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 option 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 stock option plans range from 12 months to a maximum of 60 months. An optionee generally must exercise any vested options within a prescribed period as per the respective stock option plans generally before the termination date of the stock option plan. A participant must exercise any vested options prior to termination of services with us or within a specified post-separation period ranging from seven days to six months from the date of the separation, depending on the reason for separation. If an optionee’s termination is due to death or disability, his or her option will fully vest and become exercisable. In case of retirement, the option will fully vest and become exercisable, subject to completion of the minimum vesting period prescribed under law.

The salient features of our stock plans are as follows:

Name of plan	Number of options (1)	Range of exercise prices (1)		Effective date	Termination date	Other remarks
Wipro ADS Restricted Stock Unit Plan (WARSUP 2004 plan)	59,797,979	US\$0.03		June 11, 2004	—	Perpetual until the options are available for grant under the plan
Wipro employee Restricted Stock Unit Plan 2005 (WSRUP 2005 plan)	59,797,979	₹	2	July 21, 2005	—	Perpetual until the options are available for grant under the plan
Wipro employee Restricted Stock Unit Plan 2007 (WSRUP 2007 plan)	49,831,651	₹	2	July 18, 2007	—	Perpetual until the options are available for grant under the plan
Wipro Equity Reward Trust Employee Stock Purchase Plan, 2013	39,546,197	₹	2	May 30, 2013	May 29, 2023	—

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

Please also refer to Note 30 of our Notes to Consolidated Financial Statements.

## Wipro Equity Reward Trust (“WERT”)

We established the 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.

Shareholders have, through a postal ballot dated April 19, 2013, approved the issuance of additional shares, in one or more tranches, to the WERT. The Board has the discretion to determine the timing and allotment of such shares, and as of March 31, 2022 has not approved the issuance of additional shares pursuant to the enabling resolution approved by the shareholders. Pursuant to approval by the shareholders at their meeting held in July 2014, the Company is authorized to transfer shares from the WERT to employees on exercise of vested Indian RSUs.

During the year ended March 31, 2022, 47,11,486 shares have been transferred by WERT to eligible employees on exercise of stock options.

## 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, 2022, of each person or group known by us to own beneficially 5% or more of our outstanding equity shares.

Beneficial ownership is determined in accordance with the rules of the SEC and includes voting and investment power with respect to such shares. Shares subject to vested options that are currently exercisable or exercisable within 60 days of March 31, 2022, 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 5,482,070,115 equity shares outstanding as of March 31, 2022.

Name of Beneficial Owner	Class of Security	Number of Shares Beneficially Held as of March 31, 2022	% of Class of Total Shares Outstanding
Azim H. Premji (1)	Equity	4,001,950,248	73.00
Hasham Traders	Equity	928,946,043	16.95
Prazim Traders	Equity	1,119,892,315	20.43
Zash Traders	Equity	1,135,618,360	20.72
Azim Premji Trust	Equity	558,676,017	10.19

- (1) Includes shares held by Hasham Traders, Prazim Traders, Zash Traders and Azim Premji Trust as detailed above. Additionally, it also includes 1,425,034 shares held by Hasham Investment and Trading Company Private Limited, 242,823,816 shares held by Mr. Azim H. Premji and members of his immediate family and 14,568,663 shares are held by Azim Premji Philanthropic Initiatives Private Limited. Mr. Azim H. Premji disclaims beneficial ownership of shares held by Azim Premji Philanthropic Initiatives Private Limited and shares held by Azim Premji Trust.

Our ADSs are listed on the New York Stock Exchange. Each ADS represents one equity share of par value ₹ 2 per share. Our ADSs are registered pursuant to Section 12(b) of the Securities Exchange Act of 1934 and, as of March 31, 2022, 2.46% of the Company's equity shares are held through ADSs by approximately 55,700 holders of record. As of March 31, 2022, approximately 97.54% of the Company's equity shares are held by 1,934,985 holders.

Our equity shares can be held by Foreign Institutional Investors ("FIIs") and Non-Resident Indians ("NRIs") who are registered with SEBI, and the RBI. As of March 31, 2022, about 8.20% of the Company's equity shares were held by these FIIs, NRIs, Foreign Nationals and FPIs 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 differential voting rights 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" 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:* For details and summary of transactions with related parties, please refer to Note 32 to the Consolidated Financial Statements.

## **Item 8. Financial Information**

### **Consolidated Statements and Other Financial Information**

Please refer to the following Consolidated Financial Statements and the Auditor's Report under Item 18 in this Annual Report for the fiscal year ended March 31, 2022:

- Report of the independent registered public accounting firm;
- Consolidated Statements of Financial Position as of March 31, 2021 and 2022; Consolidated Statements of Income for the years ended March 31, 2020, 2021 and 2022;
- Consolidated Statements of Comprehensive Income for the years ended March 31, 2020, 2021 and 2022;
- Consolidated Statements of Changes in Equity for the years ended March 31, 2020, 2021 and 2022;
- Consolidated Statements of Cash Flows for the years ended March 31, 2020, 2021 and 2022; 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, 2020, 2021 and 2022, we generated ₹ 584,027 million, ₹ 595,269 million and ₹ 769,350 million, or 95%, 96% and 97% of our total segment revenues of ₹ 613,401 million, ₹ 622,425 million and ₹ 795,289 million, respectively, from the export of our products and rendering of services to customers outside of India.

### **Legal Proceedings**

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

### **Dividends**

Public companies in India typically pay cash dividends even though the amount of such dividends varies from company to company. Under Indian laws, a corporation can pay dividends upon a recommendation by its 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 Companies Act, 2013, 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. The Companies Act, 2013 contains specific conditions for the declaration of dividend out of reserves. The Companies (Declaration and Payment of Dividend) Rules, 2014 (the "Dividend Rules") also clarify that if there is an inadequacy or absence of profits in any year, a company can declare dividend out of surplus subject to compliance of certain conditions as prescribed in the Dividend Rules. Further, the board of directors may, subject to certain conditions, declare interim dividend during any financial year or at any time during the period from closure of financial year until the holding of the annual general meeting out of the surplus in the profit and loss account or out of profits of the financial year for which such interim dividend is sought to be declared or out of profits generated in the financial year till the quarter preceding the date of declaration of the interim dividend.

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 Depositary in rupees and are generally converted by the Depositary into U.S. dollars and distributed, net of depositary fees, taxes, if any, and expenses, to the holders of such ADSs.

The Company's Board-approved dividend distribution and capital allocation policy is available on the corporate governance page of the Company's website at [www.wipro.com](http://www.wipro.com).

### **Significant Changes**

On April 26, 2022, we entered into a definitive agreement to acquire 100% equity interest in Rizing. Rizing is a global SAP consulting firm with industry expertise and consulting capabilities in enterprise asset management, consumer industries, and human experience management. The acquisition was consummated on May 20, 2022. For further information refer to Note 7 of the Notes to Consolidated Financial Statements.

## **Item 9. The Offer and Listing**

Our equity shares are traded on the BSE and the NSE (together, the “**Indian Stock Exchanges**”). Our ADSs, as evidenced by American Depositary Receipts, or ADRs, are traded in the U.S. on the 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, 2022, we had 5,482,070,115 issued and outstanding equity shares. As of March 31, 2022, there were approximately 55,700 record holders of ADRs evidencing 134,707,142 equivalent ADSs equity shares. As of March 31, 2022, there were 1,934,986 record holders of our equity shares listed and traded on the Indian Stock Exchanges.

On June 23, 2021, Wipro IT Services, LLC, a wholly owned step-down subsidiary of the Company, issued the Notes for an aggregate principal amount of US\$ 750 million. The Notes are listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

### **Plan of Distribution**

Not applicable.

### **Markets**

Our equity shares are traded on the BSE, NSE, and our ADSs began trading in the United States on the NYSE on October 19, 2000.

### **Trading Practices and Procedures on the Indian Stock Exchanges**

Trading on both the BSE and NSE 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 Indian Stock 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 mark-to-market margins payable on a daily basis for all outstanding trades. Trading on the Indian Stock Exchanges normally takes place from 9:15 a.m. to 3:30 p.m. on all weekdays, except holidays. The Indian Stock Exchanges do not permit carry forward trades. They have separate margin requirements based on the net exposure of the broker on the exchange. The Indian Stock Exchanges also have separate online trading systems and separate clearing houses.

The stock exchanges in India 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.

With effect from February 25, 2022, the stock exchanges have introduced the T+1 settlement cycle in phases, beginning with the bottom 100 stocks by market capitalization. Effective March 2022, on the last Friday (or the immediate next trading day) of every month, the next 500 stocks from the bottom will be subject to T+1 settlement. This phase-wise implementation is expected to give all market participants ample time to shift to the shorter cycle. We anticipate that Wipro’s stock will be subject to the T+1 settlement cycle beginning January 27, 2023.

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 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.

### **Index Based Market Wide Circuit Breaker**

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 the event of a 10% movement of either of these indices, there would be a 45-minute market halt if the movement takes place before 1 p.m. In the event the movement takes place at or after 1 p.m. but before 2:30 p.m. there will be a trading halt for 15 minutes. In the event 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 1-hour, 45-minute market halt if the movement takes place before 1 p.m. If the 15% trigger is reached at or after 1 p.m. but before 2 p.m., there will be a



45-minute 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 Index circuit breaker limits for 10%, 15% and 20% levels are computed on a daily basis based on the previous day's closing level of the index rounded off to the nearest tick size.

## **Listing**

SEBI has promulgated the SEBI Listing Regulations, which governs listing and disclosure obligations of listed companies. These regulations are amended through issuances of formal amendment notifications by SEBI from time to time. The Indian Stock Exchanges monitor the listed companies under the supervision of SEBI.

## **The National Stock Exchange of India Limited**

The estimated aggregate market capitalization of stocks trading on the NSE as of March 31, 2022 was approximately US\$ 3.40 trillion. The clearing and settlement operations of the NSE are managed by its wholly-owned subsidiary, NSE Clearing Limited (“**NSE Clearing**”) (formerly known as National Securities Clearing Corporation Limited, or NSCCL). Funds settlement takes place through designated clearing banks. NSE Clearing interfaces with the depositories on the one hand and the clearing banks on the other to provide delivery versus payment settlement for depository-enabled trades.

## **The BSE Limited**

The estimated aggregate market capitalization of stocks trading on the BSE as of March 31, 2022, was approximately US\$ 3.48 trillion. The BSE began allowing online trading in May 1995. Only a member of the stock exchange has the right to trade in the stocks listed on the stock exchange. The Indian Clearing Corporation Limited carries out the functions of clearing, settlement, collateral management and risk management for various segments of BSE.

## **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.

## **Securities Transaction Tax**

A brief description of the securities transaction tax and capital gains treatment under Indian law is provided under the section “Taxation” in Item 10.

## **Selling Shareholders**

Not applicable.

## **Dilution**

Not applicable.

## **Expenses of the Issue**

Not applicable.

## Item 10. Additional Information

The Company is subject to the Companies Act, 2013, which replaced the prior Indian Companies Act, 1956 (“**Companies Act, 1956**”), effective as of April 1, 2014. The MCA introduces amendments, from time to time, through circulars, notifications and other methods, effecting modifications to or changes in the Companies Act, 2013.

### Share Capital

Not applicable.

### Memorandum and Articles of Association

Set forth below is a brief summary of the material provisions of our Articles of Association and the Companies Act, 2013, all as currently in effect. Wipro Limited is registered under the Indian Companies Act, 1913, which is now superseded by the Companies Act, 2013. We are registered with the Registrar of Companies, located in Bengaluru, Karnataka, India, under the Corporate Identification Number L32102KA1945PLC020800. The following description of our Articles of Association does not purport to be complete and is qualified in its entirety by the amended Memorandum of Association included as an exhibit to the Form 6-K filed with the SEC on February 28, 2019 and the amended Articles of Association included as an exhibit to the Form 6-K filed with the SEC on July 18, 2019. The Memorandum and Articles of Association of the Company is available at [www.wipro.com](http://www.wipro.com).

Our Articles of Association provide that the minimum number of directors shall be four and the maximum number of directors shall be fifteen. One-third of these directors must retire from office at each Annual General Meeting of the Shareholders. Under the Companies Act, 2013, independent directors are not subject to retirement by rotation. However, no independent director shall hold office for more than two consecutive terms. Under the Companies Act, 2013, an independent director may be appointed to hold office for a term of up to five consecutive years on the Board of the Company and shall be eligible for re-appointment on the passing of a special resolution and such other compliances as may be required. The Chairman of our Board is not subject to retirement by rotation. Our Articles of Association provide that at least two-thirds of the remaining directors, shall be subject to retirement by rotation. 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 is fixed by the Board Governance, Nomination and Compensation Committee of the Board of Directors and approved by our Board of Directors and our shareholders in accordance with the provisions of the Companies Act, 2013, and the rules and regulations prescribed by the GoI.

### 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 and Web enabled services, transaction processing, fulfillment services, business support services including but not limited to providing financial and related services such as billing services, processing services, database services, data entry business marketing services, business information and management services, training and consultancy services to businesses, organizations, firms, corporations, trusts, local bodies, states, governments and other entities; establishing and operating service processing centers for providing services for back office and processing requirements, marketing, sales and credit collection services for companies engaged in the business of remote processing and IT enabled services from a place of business in India or elsewhere, contacting and communicating to and on behalf of overseas customers by voice, data image or letters using dedicated international private lines to handle business process management, remote help desk management; and remote management.
- To carry on business in India and elsewhere as a 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 the business of providing solutions for water treatment including but not limited to ultra-pure water, wastewater 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.



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

Effective March 31, 2013, the consumer care and lighting, infrastructure engineering and other non-IT business segments (collectively, the “**Diversified Business**”) were demerged (the “**Demerger**”) into Wipro Enterprises (P) Limited (formerly known as Wipro Enterprises Limited), a company incorporated under the laws of India. The Demerger was effected pursuant to a scheme of arrangement approved by the High Court of Karnataka, Bengaluru. Pursuant to the Court order approving the Demerger, for a period of ten years from the effective date of the Demerger, the Company may not, except with the express prior written consent of Wipro Enterprises (P) Limited, engage in, or be connected as a controlling shareholder with any company which engages in any activities that are in competition to the Diversified Business as of the date of Demerger.

### **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, free reserves and securities premium. 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 our Board of Directors.

### **Dividends, Bonus Shares and Buyback of Equity Shares**

#### **Dividends**

Under the Companies Act, 2013, 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 of the Shareholders, 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. An interim dividend is to be paid to the shareholders within 30 days from date of declaration by the Board of Directors. Under the Companies Act, 2013, read with the SEBI Listing Regulations, dividends can only be paid in cash to the registered shareholder as at a record date fixed for this purpose or to his order or his banker’s order.

During fiscal year 2022, we declared interim cash dividends of ₹ 1 and 5 per equity share. The Board recommended the adoption of the aggregate interim dividend of ₹ 6 per equity share as the final dividend for the year ended March 31, 2022. Thus, the total dividend for the year ended March 31, 2022 was ₹ 6 per equity share.

The Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“**IEPF Rules**”), provides that any dividends that remain unpaid or unclaimed for a period of seven consecutive years are to be transferred to the Investor Education and Protection Fund created by the GoI after the stipulated time. The Companies Act, 2013 also stipulates that the underlying shares with respect to those dividends shall be transferred to the Investor Education and Protection Fund Authority (“**IEPF Authority**”). The MCA notified the IEPF Rules (as amended from time to time) which introduced various provisions with regard to the transfer of shares when a dividend has not been paid or claimed for seven consecutive years or more to the IEPF Authority, as outlined under Section 124(6) of the Companies Act, 2013. Accordingly, during the year ended March 31, 2022, the Company transferred ₹ 19.75 million (US\$ 0.26 million) and 99,050 equity shares that were due for transfer to the IEPF Authority in cases where the period of seven consecutive years has been completed.

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 Depositary in rupees and are generally converted by the Depositary into U.S. dollars and distributed, net of depositary fees, taxes, if any, and expenses, to the holders of such ADSs.

Our Board-approved dividend distribution and capital allocation policy is available on the corporate governance page of the Company’s website at [www.wipro.com](http://www.wipro.com).

### **Bonus Shares (Commonly known as Stock Dividend in the United States)**

In addition to permitting dividends to be paid out of current or retained earnings as described above, the Companies Act, 2013 permits a company to distribute an amount transferred from the general reserves or other permitted reserves, including a securities premium account, capital redemption reserves and surplus in the company’s statement of income, to its shareholders in the form of bonus shares, which are similar to a stock dividend. Bonus shares are distributed to shareholders in the proportion recommended by the Board of Directors to such shareholders of record on a fixed record date when they are entitled to receive such bonus shares. Any bonus shares issuance would be subject to relevant provisions of the Companies Act, 2013, SEBI guidelines and approval of shareholders.

During fiscal year 2022, the Company did not issue any bonus shares to its shareholders.



## **Buyback of Equity Shares**

Under the Companies Act, 2013, a company can reduce its share capital, subject to fulfillment of conditions. A company is not permitted to acquire its own shares for treasury operations. Public companies which are listed on a recognized stock exchange in India must comply with provisions of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (as amended from time to time). Accordingly, the board of directors can approve a buyback of up to 10% of paid-up equity capital and free reserves. In the event the buyback size is above 10% and up to 25% of paid-up equity capital and free reserves, the company is also required to obtain shareholders' approval. In order for ADS holders to participate in a buyback, they must become direct holders of equity shares as of the record date.

During fiscal year 2022, the Company did not buyback any equity shares from its shareholders.

## **Consolidation and Subdivision of Shares**

The Companies Act, 2013 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 shares. The Company has not made any consolidation or sub-division of its shares in the fiscal year ended March 31, 2022.

## **Preemptive Rights, Issue of Additional Shares and Distribution of Rights**

The Companies Act, 2013 gives equity 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 Depositary and we will assist the Depositary in determining whether it is lawful and reasonably practicable to distribute rights to purchase additional ADSs to holders.

The Depositary 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 Depositary 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 Depositary 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 Depositary; or
- it is not reasonably practicable to distribute the rights.

The Depositary 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 in the same manner as in cash distribution. If the Depositary is unable to sell the rights, it will allow the rights to lapse.

## **Voting Rights**

The Companies Act, 2013 provides for listed companies like ours to compulsorily provide for electronic voting by its members. The timelines and procedure for such voting are provided for in Companies (Management and Administration) Rules, 2014 with the necessary clarifications and applicability of the rules provided by the MCA. Our procedures comply with such rules and provide the opportunity for electronic voting by shareholders.

## **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 and any resolution for the winding up of the company or for the repayment or reduction of its equity or preference share capital. However, holders of 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/or outstanding.

The Board of Directors has the power to increase and reduce or consolidate or sub-divide the capital of the Company subject to the applicable provisions of Companies Act, 2013 and the Articles of Association of the Company. Currently, the Board of Directors has the power to divide the shares in the capital into several classes and to attach preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or, in accordance with the Articles of Association of the Company. Further, the Board of Directors has the ability to verify, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 2013 or provided by the Articles of Association of the Company if and whenever the capital of the Company is divided into shares of different class, the rights of any such class may be varied, modified, affected, extended, abrogated or surrendered as provided by the said Act or by Articles of Association or by the terms of issue, but not further or otherwise.

### **Redemption of Equity Shares**

Under the Companies Act, 2013, unlike preference shares, equity shares are not redeemable.

### **Sinking Fund Provisions**

Not applicable.

### **Liability to Further Capital Calls by the company**

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, 2013, the rights of any class of shareholders can be altered or varied with the consent in writing of the holders 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, 2013, the Articles of Association may be altered only by way of a special resolution.

### **Meeting of Shareholders**

We must convene an Annual General Meeting of the Shareholders (“AGM”) within six months after the end of each fiscal year or within 15 months of the previous AGM, whichever is earlier, 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. As per the provisions of the SEBI Listing Regulations, the top 100 listed entities in India, as ranked by market capitalization and determined as on March 31 of each financial year, must hold an AGM within five months from the end of the financial year and provide a one-way live webcast of the proceedings of the AGM. Our AGM is generally convened by our Company 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, either through electronic communication or hard copy mail, excluding the days of mailing and date of the meeting, prior to the date of the AGM 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 AGM 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 AGM may be held at any other place within India, if so determined by our Board of Directors. The Companies Act, 2013 provides that a quorum for an AGM is the presence of at least thirty 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 (Management and Administration) Rules, 2014. However, any item of business required to be transacted by way of a postal ballot may be transacted at a general meeting by a company which is required to provide facility to shareholders to vote by electronic means in a general meeting. The Companies Act, 2013 and the SEBI Listing Regulations provide for electronic voting in shareholders’ meetings for all listed companies. Shareholders will be able to vote electronically based on the user id and password provided to them. Accordingly, we may choose to transact such items either through postal ballot or at a general meeting.

In view of the COVID-19 pandemic, the MCA and SEBI issued various relaxations to listed companies, such as allowing listed companies to conduct extraordinary general meetings and AGMs through video conferencing or other audiovisual means, consideration of attendance of shareholders through video conferencing or other audiovisual means for the purposes of reckoning quorum, among other things.

### **Audit and Annual Report**



At least twenty-one days before the Annual General Meeting of the shareholders (excluding the days of mailing and date of the meeting), we are required to distribute to our shareholders audited financial statements including a consolidated financial statement and the related reports of our

Board of Directors and the Auditors, together with a notice convening the Annual General Meeting. The SEBI permits distribution of abridged financial statements to shareholders in India in lieu of complete versions of financial statements. Under the Companies Act, 2013, a company must file its financial statement including the balance sheet and annual statement of profit and loss account and consolidated financial statement presented to the shareholders within 30 days of the conclusion of the Annual General Meeting with the Registrar of Companies.

Due to the global COVID-19 pandemic, SEBI permitted listed companies to send copies of its financial statements (including the Board's report and auditor's report) and other documents required to be attached therewith, only by email to shareholders.

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 annual general meeting.

Based on the recommendation of the Company's Audit, Risk and Compliance Committee, the Board of Directors approved the proposal to re-appoint Deloitte Haskins & Sells LLP, Chartered Accountants (Registration No. 117366W/W-100018) ("**Deloitte**") as the statutory auditors of the Company for a second term of five years from fiscal year 2023 onwards, subject to the approval of the shareholders. Deloitte's first term of appointment for a period of five years was approved by the members of the Company at the 71<sup>st</sup> AGM held on July 19, 2017.

### **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 sections titled "Investment by NRIs", "Investment by Foreign Portfolio Investors", "Investment by Foreign Venture Capital Investors" and "Overseas Investment" 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 Depositary shall fix a record date for determining the holders entitled to give instructions for the exercise of voting rights. The Depositary 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 Depositary therefore will be entitled to instruct the Depositary as to the exercise of the voting rights, if any, pertaining to the deposited securities represented by the ADSs evidenced by such holders of ADSs, 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 Depositary, our ADS holders may instruct the Depositary on how to exercise the voting rights for the shares that underlie their ADSs. For such instructions to be valid, the Depositary must receive them on or before a specified date.

The Depositary will make all reasonable efforts, 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 Depositary will only vote or attempt to vote as per an ADS holder's instructions. The Depositary will not itself exercise any voting discretion.

Neither the Depositary 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 Depositary 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) Limited and register in physical form for equity shares held by shareholders through physical certificates. For the purpose of determining the shareholders entitled to annual dividends, if any, a record date or date of closure of transfer books is determined prior to the Annual General Meeting of the Shareholders. The Company is required to intimate the record date to all the stock exchanges where it is listed, *inter alia*, for the following purposes: the declaration of dividends, issuances of rights to equity or bonus shares, issuances of shares for conversion of debentures or any other convertible security, corporate actions such as mergers, demergers, splits and bonus shares, and buybacks. The SEBI Listing Regulations require us to give at least seven working days' prior notice to the stock exchanges before such record date. Additionally, the SEBI Listing Regulations prescribe that the Company shall ensure the time gap of at least thirty days between two record dates.

Shares held through depositaries 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.

The equity shares of a public company are freely transferable, subject only to the provisions of Sections 56 and 58 of the Companies Act, 2013.

Pursuant to Section 59(4) of the Companies Act, 2013, if a transfer of shares contravenes any of the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or the Companies Act, 2013, or the regulations issued thereunder, or the Insolvency and Bankruptcy Code, 2016 or any other Indian laws in force at the time, the NCLT may, on application made by the Company, a depository incorporated in India, an investor, SEBI or other parties, direct the rectification of the register of records. In accordance with the proviso to regulation 40(1) of the SEBI Listing Regulations (as amended), effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Shareholders may, however, tender such physical shares in an open offer, buyback through tender offer and exit offer in case of voluntary or compulsory delisting. Our transfer agent for our equity shares is KFin Technologies Limited located in Hyderabad, India.

### **Disclosure of Ownership Interest**

Section 89 of the Companies Act, 2013 requires, *inter alia*, beneficial owners of shares of Indian companies who are not holders of record to declare to the company details of the beneficial owner. Section 90 of the Companies Act, 2013 requires, *inter alia*, a significant beneficial owner (as defined therein) to submit necessary declarations to the company regarding the details of ownership interests held in that company. Further, every company shall take necessary steps to identify an individual who is a significant beneficial owner in relation to the company and require such individual to comply with the applicable provisions. Detailed guidelines with regard to declaration and filing of beneficial ownership details have been prescribed under the Companies (Significant Beneficial Owners) Rules, 2018, as amended from time to time (“SBO Rules”).

A significant beneficial owner (“SBO”) means every individual who, acting alone or together, or through one or more persons or trust, possesses one or more of the following rights or entitlements in the reporting company: a) holds indirectly, or together with any direct holdings, not less than 10% of the shares; b) holds indirectly, or together with any direct holdings, not less than 10% of the voting rights in the shares; c) has the right to receive or participate in not less than 10% of the total distributable dividend or any other distribution, in a financial year through indirect holdings alone, or together with any direct holdings; or d) has the right to exercise, or actually exercises, significant influence or control, in any manner other than through direct holdings alone, over the company.

As per the SBO Rules, a reporting company shall send notice to all its non-individual members who hold more than 10% of shares, voting rights or right to receive or participate in dividends or any other distribution in order to identify the individual SBO and cause such individual to make the required reporting to the company. On receipt of such declaration, the company shall intimate the same to the MCA. There are penal provisions prescribed under the Companies Act, 2013 for non-compliance with these sections.

### **Provisions on Changes in Capital**

Our authorized capital can be altered by an ordinary resolution of the shareholders. 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.

### **Independent Directors Databank**

On October 22, 2019, the MCA introduced the Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019 and amended the Companies (Appointment and Qualification of Directors) Rules, 2014, effective December 1, 2019. The amendments mandate that existing Independent Directors, as well as those aspiring to become Independent Directors, apply online for inclusion of their name in the Independent Directors Databank and undergo an online proficiency self-assessment test within a period of two years. The MCA has, from time to time, exempted various categories of Independent Directors from the requirement to undergo the self-assessment test.

The Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019 authorized the Indian Institute of Corporate Affairs (“IICA”) as the institute responsible for the creation and maintenance of the online databank, empanelment of existing and aspiring independent directors and for providing a platform for them to acquire knowledge, develop new skills, assess their understanding and apply best practices.

On June 18, 2021, the MCA notified the Companies (Creation and Maintenance of Databank of Independent Directors) Amendment Rules, 2021. As per such amended Rules, in case an individual has delayed applying for inclusion of his or her name in the databank or delayed the renewal thereof, the IICA shall allow such inclusion or renewal, as the case may be, after charging a further fee of ₹ 1,000 on account of such delay.

### **Compliance requirement relaxations by MCA**

The global outbreak of COVID-19 is an unprecedented event that has led to lockdowns and unexpected restrictions on the public as well as the corporate sector across the world. In light of this situation, the GoI has granted several relaxations in compliance with applicable laws by corporates. The key relaxations introduced are as follows:

- i) Through its General Circular dated October 29, 2021, the MCA announced a relaxation on the levy of additional fees for filing e-forms AOC-4, AOC- XBRL, AOC-4 (CFS), AOC-4 (Non-XBRL), MGT-7 and MGT-7A until December 31, 2021. This relaxation was further extended until February 28, 2022 and then to March 31, 2022, through circulars dated December 29, 2021 and February 14, 2022, respectively.

- ii) The MCA, through the Companies (Meetings of Board and its Powers) Amendment Rules, 2021, has permanently omitted rule 4 of the prior rules, which means that companies may now freely transact all business in their board meetings conducted through video conferencing or other audio-visual means.
- iii) Through its General Circulars dated December 8 and 14, 2021, the MCA permitted companies with AGMs due in the year 2021 and 2022, to conduct such AGMs through video conference or other audio-visual means on or before June 30, 2022, subject to compliance with certain conditions.

This relaxation was further extended until December 31, 2022, through General Circular dated May 5, 2022.

- iv) Through its General Circular dated December 8, 2021, the MCA permitted companies to conduct their Extra-Ordinary General Meetings (“EGMs”) through video conference or other audio-visual means or transact items through postal ballot up through June 30, 2022. Through its General Circular dated May 5, 2022, the MCA has further extended this relaxation up to December 31, 2022.

### **Corporate Social Responsibility**

The Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the “**CSR Rules**”), requires companies meeting requirements of certain thresholds of net worth, turnover or net profits to constitute a CSR Committee and to spend 2% of a respective company’s average profits before taxes for the previous three fiscal years on identified areas of CSR. This requirement became effective April 1, 2014. In the event we are unable to spend the required amount, we will be required to disclose reasons for the shortfall. We have complied with this requirement and a detailed report on CSR for fiscal year 2022 will form part of the Annual Report of the Company for fiscal year 2022.

In January 2021, the MCA issued the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, giving effect to the changes introduced in CSR by the Companies Amendment Acts of 2019 and 2020. With such amendment coming into force, the requirement for CSR spending was made a statutory obligation, which is a significant departure from the earlier approach of ‘comply or explain’. Further, the role of a company’s board of directors in implementation of CSR activity increased significantly, as the board of directors are required to not only approve the budget and area of focus for CSR projects, but also approve specific CSR projects, oversee the implementation of projects, monitor the disbursement of funds to such projects and obtain impact assessment of such projects, among other things.

Through its General Circular dated May 5, 2021, the MCA clarified that the spending of CSR funds for creating health infrastructure for COVID-19 care, establishing medical oxygen generation and storage plants, manufacturing and supply of oxygen concentrators, ventilators, cylinders and other medical equipment for countering COVID-19 or other ancillary activities would be considered eligible CSR activities under Schedule VII of the Companies Act, 2013.

Through its Circular dated July 30, 2021, the MCA further clarified that companies spending CSR funds for COVID-19 vaccination, for persons other than its own employees and their families, would be considered to be an eligible CSR activity under item (i) of Schedule VII of the Companies Act, 2013.

As per the amended CSR Rules, in case of excess CSR spend by a company in a fiscal year, such excess amount may be set off against the CSR spend requirement for up to the immediately succeeding three financial years, subject to fulfillment of certain conditions.

Wipro’s Board-approved CSR policy is available on the corporate governance page of the Company’s website at [www.wipro.com](http://www.wipro.com).

### **Companies (Accounts) Rules, 2014**

With effect from February 11, 2022, the MCA notified the Companies (Accounts) Amendment Rules, 2022, which introduced the Report on Corporate Social Responsibility in e-form CSR-2. This form was required to be filed on or before March 31, 2022 by those entities which fall under the provisions of Section 135 of the Companies Act, 2013 and are required to comply with the provisions of Corporate Social Responsibility. Through its notification dated March 31, 2022, the MCA deferred the due date to May 31, 2022.

In March 2021, the MCA mandated, with effect from April 1, 2021, that the accounting software used by companies should include recording an audit trail of every transaction by creating and editing a log of each change made in the books of accounts that record the date of when such changes were made, and ensuring that such audit trail recording cannot be disabled. Through its notification dated April 1, 2021, the MCA deferred the compliance requirement from April 1, 2021 to April 1, 2022.

On March 31, 2022, the MCA notified the Companies (Accounts) Second Amendment Rules, 2022, to further defer the date of applicability for the requirement from April 1, 2022 to April 1, 2023.

### **Related Party Transactions – Companies Act, 2013 perspective**

Pursuant to Section 188 of the Companies Act, 2013, certain related party transactions require approval of a company's board of directors, as well as the approval of its shareholders if they exceed certain prescribed threshold limits. However, these requirements will not apply if the related party transactions are in the ordinary course of business and at arm's length. The proviso to Section 177 of the Companies Act, 2013, as amended by the Companies (Amendment) Act, 2015 provides that the Audit Committee can approve the related party transactions on an omnibus basis for the fiscal year. In case of transactions entered into between a holding company and its wholly-owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the annual general meeting for approval, no prior approval of shareholders will be required. Disclosure of related party transactions is required to be included in the Board's Report along with justification for entering into such contracts and arrangements.

Rule 6A of Companies (Meetings of Board and its Powers), Rules, 2014 as notified from December 14, 2015 provides that, in approving Related Party Transactions, the Audit Committee shall consider the need for omnibus approval for transactions of repetitive nature, and omnibus approval shall contain or indicate the nature and duration of the transaction, and whether the transactions are in the ordinary course of business and are on arm's length price, amongst other requirements.

Under the Companies Act, 2013, where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Audit Committee or Board or approval by an ordinary resolution in the general meeting and if it is not ratified by the Audit Committee or Board or shareholders at a meeting, as the case may be, within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Audit Committee or the Board or the shareholders, as the case may be.

The abridged policy on related party transactions, as amended, is available on the website of the Company at [www.wipro.com](http://www.wipro.com).

### **Material Contracts**

We are a party to various employment arrangements with our executive directors and executive officers. See "Terms of Employment Arrangements" 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.

### **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.

### **Depository Receipts Scheme 2014**

The Ministry of Finance, Government of India ("**Ministry of Finance**") enacted the new Depository Receipt Scheme, 2014 ("**2014 Scheme**") which replaced the Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993. Below is a brief summary of some of the key provisions.

There are certain relaxations provided under the 2014 Scheme subject to prior approval of the Ministry of Finance. For example, 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 or GDSs. However, such conversion is subject to compliance with the provisions of the 2014 Scheme and the periodic guidelines issued by the regulatory authorities. Therefore, ADSs converted into Indian shares may be converted back into ADSs, subject to certain limits of sectorial caps.

Under the 2014 Scheme, the foreign depository may take instructions from holders of depository receipts ("**DRs**") to exercise the voting rights with respect to the underlying equity securities. Additionally, a domestic custodian has been defined to include a custodian of securities, an Indian depository, a depository participant or a bank having permission from SEBI to provide services as custodian. Further, the 2014 Scheme provides that the aggregate of permissible securities which may be issued or transferred to foreign depositories for issue of DRs, along with permissible securities already held by persons resident outside India, shall not exceed the limit on foreign holding of such permissible securities under the Foreign Exchange Management Act, 1999 ("**FEMA**").

The Department of Economic Affairs, Ministry of Finance made amendments to certain provisions of the Securities Contracts (Regulation) Rules, 1957 vide Securities Contracts (Regulation) (Amendment) Rules, 2015, on February 25, 2015. An amended definition of "public shareholding" introduced to define equity shares of the Company held by public to include shares underlying DRs if the holder of such DRs has the right to issue voting instruction and such DRs are listed in international stock exchange in accordance with the 2014 Scheme.

## Conditions for issuance of ADSs or GDSs 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 SEBI will not be eligible to issue ADSs or GDSs apart from Foreign Currency Convertible Bonds (“FCCB”).

**Eligibility of subscriber:** 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) FCCB and (ii) ADSs or GDSs.

## Framework for issuance of DRs

SEBI introduced a framework for issuance of DRs by companies listed or to be listed in India (“**DR Framework**”), through its circular dated October 10, 2019. The DR Framework, as amended from time to time, sets out requirements for issuance of depository receipts in addition to the requirements under the Companies Act, 2013 and rules thereunder, the Depository Receipts Scheme, 2014 and the foreign exchange regulations.

## Takeover Code

The Takeover Code is applicable to publicly listed Indian companies and to any person acquiring our equity shares or voting rights in the Company, including ADSs. Under the Takeover Code, upon the acquisition of 5% or more of equity shares or voting rights and every change of 2% thereafter (upward or downward) of the outstanding shares or voting rights of a publicly-listed Indian company, the shareholder is required to disclose the aggregate shareholding and voting rights in the company to the company and to the stock exchanges on which the shares of the company are listed. An ADS holder would be subject to these notification requirements.

Upon the acquisition of 25% 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 at least 26% 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. Since we are a listed company in India, the provisions of the Takeover Code will apply to us and to the acquisition of ADS having voting rights. The acquisition of ADS having voting rights, irrespective of conversion into underlying equity shares, is subject to disclosures, acquisition trigger and the reporting requirements under the Takeover Code.

A listed company can be delisted under the provisions of the SEBI (Delisting of Securities) Regulations, 2009, which govern voluntary and compulsory delisting of shares of Indian companies from the stock exchanges.

## SEBI Listing Regulations

The SEBI Listing Regulations were notified on September 2, 2015 to replace the listing agreement and were implemented from December 1, 2015. The SEBI Listing Regulations consolidates and streamlines the provisions of existing listing agreements for different segments of the capital markets (i.e., equity, non-convertible debt securities, non-convertible redeemable preference shares, Indian DRs and securitized debt instruments and units issued by mutual fund schemes). It lays down provisions for transparency and fair disclosures by all Indian listed companies. Amendments to the SEBI Listing Regulations have been made from time to time to reinforce compliance and protect the interest of investors.

On August 3, 2021, the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 were notified to become effective from January 1, 2022. This amendment brought in changes in the regulatory framework for independent directors (“**IDs**”), including, but not limited to, criteria of independence, appointment framework, composition of IDs in committees of the board, among other things. Some of the key highlights are provided below:

- The amended regulations prescribed the following modifications to the eligibility criteria for appointment as an ID:
  - a) The ID shall not have had a pecuniary relationship with the company for the preceding three years (this was previously the preceding two years).
  - b) None of the relatives of the ID shall hold any security or interest in the company, its holding, subsidiary or associate company during the current financial year or immediately preceding financial year for a face value in excess of ₹ 5,000,000 or 2% of the paid-up capital of the company, whichever is lower. Prior to the amendment, the percentage was linked with gross turnover instead of paid-up capital.
  - c) None of the relatives of the ID shall be indebted to the company, its holding, subsidiary or associate company during the current financial year or immediately preceding financial year for a value in excess of ₹ 5,000,000 or 2% of its gross turnover or total income, whichever is lower. Prior to the amendment, there was no percentage criteria prescribed.
  - d) None of the relatives of the ID provided guarantee or provided any security in connection with the indebtedness of the company, its holding, subsidiary or associate company or its promoters or directors, in excess of 2% of its gross turnover or total income or ₹ 5,000,000, whichever is lower, during the three immediately preceding years. Prior to the amendment, there was no percentage criteria prescribed.

- Appointment and/or re-appointment and removal of IDs is required to be done through a special resolution of shareholders for all listed entities. The shareholder approval for appointment of a director, including IDs, is to be taken at the following general meeting or within 3 months of the appointment on the board, whichever is earlier.



- The nomination and remuneration committee (“**NRC**”) of listed entities is required to adopt a transparent process while selecting candidates for appointment as IDs, including enhanced disclosures regarding the skills and capabilities required for the role and the manner in which the proposed candidate meets such requirements.
- At least two-thirds of the members of a listed company’s NRC and audit committee are required to be IDs.
- In cases of resignation of an ID, the following disclosures shall be made to the stock exchanges: a) letter of resignation along with detailed reasons for the resignation as given by the said director, b) names of listed entities in which the resigning director holds directorships and details of membership of board committees, if any, and c) confirmation that there is no other material reasons other than those provided, for the resignation of director.
- Requirement of undertaking directors and officers insurance has been extended to the top 1,000 companies by market capitalization.

On November 9, 2021, the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 were issued. These regulations introduced several key amendments in relation to “Related Party” and “Related Party Transactions”. A detailed note on the same is provided below.

Through an amendment dated January 24, 2022, SEBI notified that all securities must be held in dematerialized form for effecting transmission or transposition of securities, with effect from January 24, 2022. Prior to this amendment, this restriction was applicable only for transfer of securities.

#### **Separation of the role of Chairperson – MD/CEO**

Earlier, SEBI had mandated the top 500 listed companies (by market capitalization) to separate the roles of Chairperson and Managing Director (“**MD**”) or Chief Executive Officer (“**CEO**”). Further, the Chairman was required to be a non-executive director and not ‘related’ to the MD or CEO. The initial deadline of April 2020 was later postponed to April 2022.

With effect from March 22, 2022, SEBI omitted the above requirement and made it voluntary.

#### **Related Party Transactions – SEBI Listing Regulations perspective**

At its Board meeting held in September 2021, SEBI considered and approved amendments to the Listing Regulations as applied to related party transactions (“**RPTs**”). On November 9, 2021, SEBI notified these amendments through SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021. These amendments shall be applicable in a phased manner, with major amendments coming into effect from April 1, 2022 and some of the amendments with effect from April 1, 2023. The key aspects of these regulations are detailed below:

- Definition of related party: The amended SEBI Listing Regulations adopts the definition of ‘related party’ from Section 2(76) of the Companies Act, 2013. In addition, the previous definition under the SEBI Listing Regulations also included entities belonging to the promoter or promoter group of the listed entity and holding 20% or more of the shareholding of the listed entity. As per the amended regulations, effective April 1, 2022, any individual or entity forming part of the promoter or promoter group of the listed entity, regardless of shareholding, shall be deemed to be a related party.

Further, the definition of related party has been amended to include any person or entity holding equity shares, either directly or on a beneficial interest basis as provided under Section 89 of the Companies Act, 2013, amounting to 20% or more (with effect from April 1, 2022) and 10% or more (with effect from April 1, 2023).

- Scope of related party transactions: The definition of RPT under the amended SEBI Listing Regulations has been amended to cover transactions undertaken at the subsidiary level. Now, transactions undertaken between two subsidiaries will also be an RPT and will be subject to the listed entity’s approval.

Further, effective April 1, 2023, a transaction between the listed entity or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries will also be considered an RPT.

- Materiality of RPTs: Prior to the amendment, a transaction was considered as material during a financial year if it exceeded 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity. Pursuant to the amended SEBI Listing Regulations, an RPT would be considered as material if the transaction entered into individually or taken together with previous transactions during a financial year exceeds ₹ 10,000,000,000 or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower.

- Enhanced role of the audit committee: All related party transactions and subsequent material modifications shall require prior approval of the audit committee of the listed entity. The amended SEBI Listing Regulations include the following additional roles for the audit committee of a listed entity:
  - a) To define “material modifications” and disclose it as part of the policy on materiality of RPTs and on dealing with RPTs.
  - b) To provide prior approval for an RPT to which the subsidiary of a listed entity is a party but the listed entity is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover, as per the last audited financial statements of the listed entity.
  - c) With effect from April 1, 2023, prior approval of the audit committee of a listed entity shall be required, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual standalone turnover, as per the last audited financial statements of the subsidiary.
- Detailed disclosures: A listed entity shall submit to the stock exchanges, on a half yearly basis, disclosures of RPTs in the format as specified by SEBI and according to the following timelines:
  - a) Within 15 days from the date of publication of its standalone and consolidated financial results (effective April 1, 2022).
  - b) On the date of publication of its standalone and consolidated financial results (effective April 1, 2023).
- Shareholder approval: Pursuant to the amended SEBI Listing Regulations, any material RPT and any material modification to such transaction shall require prior approval of a listed entity’s shareholders. Previously, only material RPTs required approval of shareholders of a listed entity.

Through its circular dated March 30, 2022, SEBI clarified that an RPT that has been approved by a listed entity’s audit committee prior to April 1, 2022 but continues beyond such date, and becomes material as per the revised materiality threshold, is required to be placed before the shareholders at the first General Meeting held by the listed entity after April 1, 2022.

SEBI, through its circular dated April 8, 2022, further clarified that the shareholders’ approval of omnibus RPTs approved in an AGM shall be valid up to the date of the next AGM, for a period not exceeding fifteen months. In case of omnibus approvals for material RPTs obtained from shareholders in general meetings other than AGMs, the validity of such omnibus approvals shall not exceed one year.

### **Prohibition of Insider Trading Regulations, 2015**

In May 2015, SEBI introduced the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“**PIT Regulations**”) replacing the earlier framework of the SEBI (Insider Trading) Regulations, 1992. It was introduced with an aim of bringing the basic framework governing the regime of insider trading practices in line with the dynamic global scenario and to tighten the gaps of the existing norms.

In September 2020, under the PIT Regulations, SEBI implemented System Driven Disclosures (“**SDD**”) in phases. This was implemented with a view to automate the continual disclosures required to be made pursuant to the PIT Regulations. In furtherance of the same, through its circular dated August 13, 2021, SEBI confirmed the implementation of SDD in its entirety and clarified that the manual filing of disclosures in the prescribed format would no longer be mandatory for listed companies who have complied with requirements of the earlier circulars issued by SEBI in this regard.

### **SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021**

The framework for issuance of sweat equity shares by listed companies and for regulation of employee stock option schemes, employee stock purchase schemes and other share-based employee benefits were earlier provided under the SEBI (Issue of Sweat Equity) Regulations, 2002 and SEBI (Share Based Employee Benefits) Regulations, 2014. In order to further streamline and rationalize the provisions of these regulations, SEBI constituted an expert group, which then submitted its report in June 2021.

After taking into consideration the recommendations of the expert group and the comments received from the public, SEBI approved new regulations at its board meeting held on August 6, 2021. On August 13, 2021, the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“**SBEB Regulations**”) were notified and made effective immediately. The SBEB Regulations govern all share-based employee benefit schemes dealing in securities, including employee stock options, employee share purchase, stock appreciation rights, general employee benefits and retirement benefits. Key highlights of the changes under the SBEB Regulations are provided below:

- Expanded definition of “employee”: An employee, except in relation to sweat equity, now includes an employee of the company who is working in India or outside India and shall also include employees of group companies, including associate companies. Further, the SBEB Regulations specifically state that a non-executive director is also included within the ambit of the term ‘employee’, not being a promoter or a member of the promoter group.

- Mode of implementation of share-based employee benefit schemes: Under the SBEB Regulations, companies are given the liberty to change the mode of implementation of the schemes i.e., either directly by the Company or through the trust established under the SBEB Regulations (the “**Trust**”), provided that a fresh approval of the shareholders by a special resolution is obtained prior to implementing such a change, and that such a change is not prejudicial to the interest of the employees.
- Appropriation of shares by the Trust: Previously, the unappropriated inventory of shares lying with the Trust, which were not backed by grants, were required to be appropriated by the end of subsequent financial year. Now, under the SBEB Regulations, such unappropriated inventory of shares can be appropriated by the second subsequent financial year, subject to the approval of the nomination and remuneration committee.
- Variation in the terms of share-based employee benefit schemes: Pursuant to the SBEB Regulations, companies can vary the terms of share-based employee benefit schemes to meet any regulatory requirement, without seeking shareholders’ approval.
- Vesting of options in case of death or permanent incapacity: In the event of death or permanent incapacity of the employee while in employment, all the options or any other benefit granted under a scheme to him or her till his or her death or permanent incapacity shall vest, with immediate effect from the date of his or her death or permanent incapacity.
- Vesting in case of retirement or superannuation: Under the SBEB Regulations, in the event of cessation of employment due to retirement or superannuation, the options or any other benefits granted to such employee will continue to vest in accordance with their respective vesting schedules even after retirement or superannuation in accordance with company policies and applicable law.

#### **Transmission of Securities to Joint Holders**

Through its circular dated October 18, 2021, SEBI advised Registrars to an Issue & Share Transfer Agents (“**RTAs**”) to ensure transmission of securities in favor of surviving joint holder(s), in the event of demise of one or more joint holder(s), provided that there is nothing contrary to the same in the Article of Association of the company. This circular was released by SEBI after observing that in several cases, the RTAs had not effected transmission to the surviving joint holder due to counterclaim or dispute from the legal representative of a deceased holder.

#### **Disclosure of Material Impact of COVID-19 Pandemic**

Due to the COVID-19 pandemic and consequent lockdown being unforeseen and beyond the control of listed companies, there was a risk of distortions / disruptions in the market due to gaps in the information available about the operations of listed companies during the COVID-19 pandemic. With a view to ensure that all available information about the impact of COVID-19 on a company and its operations is communicated in a timely and cogent manner to its investors and stakeholders, SEBI issued a circular dated May 20, 2020 advising listed companies to do the following:

- Evaluate the impact of the COVID-19 pandemic on its business, performance and financials, both qualitatively and quantitatively, to the extent possible.
- Disseminate available information about the impact in a timely and cogent manner to its investors and stakeholders, subject to application of materiality.
- Additional disclosure requirements: a) while submitting financial statements under Regulation 33 of the SEBI Listing Regulations, listed companies may specify/include the impact of the COVID-19 pandemic on their financial statements, to the extent possible and b) provide regular updates, as and when there are any material developments.

#### **Foreign Direct Investment**

Foreign investments in India are governed by the provisions of the Foreign Exchange Management Act, 1999 (“**FEMA**”) and the rules and regulations made thereunder. FEMA regulates transactions involving foreign exchange, and provides that certain transactions cannot be carried out without the general or special permission of the RBI or the GoI, as the case may be.

The Ministry of Finance notified the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 (“**NDI Rules**”) on October 17, 2019 superseding the Foreign Exchange Management (Transfer of Issue of Security by a Person Resident outside India) Regulations, 2017 (“**TISPRO**”) and the Foreign Exchange Management (Acquisition and Transfer of Immovable Property in India) Regulations, 2018. These rules govern foreign investments into India, including foreign direct investments by persons resident outside India.

Further, the RBI also notified the Foreign Exchange Management (Debt Instruments) Regulations, 2019, superseding TISPRO, and the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019, which provides for reporting requirements in relation to any investment made under the NDI Rules.

The primary objective of these norms is:

- To simplify the provisions governing foreign investment in India.

- To vest the Central Government with power over non-debt instruments.
- To vest the RBI with the power over debt instruments.

The Foreign Direct Investment Scheme under the RBI's 'Automatic Route' enables Indian companies, other than those specifically excluded, to issue shares and certain other capital instruments to persons residing outside India without prior permission from the RBI, subject to certain conditions. General permission has been granted for the transfer of shares and certain other capital instruments by a person resident outside India as follows: (i) for transfers of shares or certain other capital instruments held by a person resident outside India other than an NRI or an Overseas Citizen of India ("OCI"), to any person resident outside India and (ii) NRIs or OCIs are permitted to transfer shares or certain other capital instruments of an Indian company to any person resident outside India on a repatriation basis. A person resident outside India can transfer shares or certain other capital instruments to a person resident in India by way of gift. A person resident outside India can sell the shares and certain other capital instruments of an Indian company on a recognized Stock Exchange in India through a registered stockbroker. General permission has also been given for transfers between a person resident in India and a person resident outside India subject to stipulated conditions.

Through notification dated April 22, 2020, the GoI amended the FDI policy to state that investment by a non-resident entity of a country, which shares land border with India or where the beneficial ownership of an investment into India is situated in or is a citizen of any aforesaid countries, shall be under the 'Government Route', which requires prior GoI approval. Further, in case of transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the above-mentioned restriction / purview such subsequent change in beneficial ownership, will also require GoI approval.

Under FEMA, the onus of compliance with the various foreign investment limits rests on the company. In order to facilitate listed companies' compliance with the requirements, SEBI, in consultation with the RBI, has put in place a new system for monitoring the foreign investment limits, with effect from May 1, 2018.

In cases where the prescribed conditions are not met, approval of the Central Government and the RBI may also be required. The limits for allowable remittance from India by a person resident in India under the Liberalised Remittance Scheme issued by RBI is US\$ 250,000, per financial year, for any permitted current or capital account transaction or a combination of both.

Over a period of time, and particularly since 1991, the GoI has relaxed the restrictions on foreign investment and most industry sectors do not require prior approval of the GoI or RBI, if the percentage of equity holding by all foreign investors does not exceed specified industry specific thresholds and such industry sectors are not under the GoI approval route. 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 a company's share capital is currently permitted in the IT industry. The GoI has clarified the calculation of foreign investment in an Indian company through direct or indirect routes for such investment.

### **Consolidated FDI Policy – 2020**

On October 28, 2020, the latest edition of the GoI's consolidated FDI policy was released, effective October 15, 2020. The consolidated FDI policy is a compilation of decisions taken and amendments notified by the GoI with regard to FDI in various sectors.

Through its Press Note dated March 14, 2022, the Department for Promotion of Industry and Internal Trade issued amendments under the consolidated FDI policy in relation to definitions of certain key terms, including "Capital", "Convertible Note", "Foreign Investment", "Indian Company", "Subsidiary", among others. These amendments were introduced to bring in further consistency and clarity to the consolidated FDI policy.

### **Reporting of Foreign Investment in India**

With an objective of improving ease of doing business in India, the RBI introduced the Single Master Form reporting system which would subsume all existing reporting requirements, irrespective of the mode or instrument through which the foreign investment is made. Prior to implementation of the same, the RBI provided an interface to the Indian entities to input data on total foreign investments in a specified format. The RBI introduced this new system for smoothening the reporting system for transactions which are FDI related. All forms which are used for making required reporting to the RBI have been combined into one form so that users can access one common platform for all reporting.

### **Investment by NRIs**

A variety of facilities for making investments in shares of Indian companies is available to individuals of Indian nationality or origin residing outside India. Further, 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. An individual NRI or OCI may not hold more than 5% of the total paid-up equity capital of a company on a fully diluted basis, and the aggregate holding of all NRIs and OCIs may not exceed 10% of a company's total paid-up equity capital on a fully diluted basis. The aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the members of the company. An NRI or an OCI resident outside India may invest in certain capital instruments issued by an Indian company, capital of an Indian limited liability partnership and convertible notes issued by an Indian startup company on a non-repatriation basis. Further, NRIs or OCIs 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 the Foreign Direct Investors described above. Investment by NRIs or OCIs on non-repatriation basis will be deemed to be domestic

investment at par with investments made by residents. A company, trust and partnership firm incorporated outside India and owned and controlled by NRIs can invest, with the special dispensation as available to NRIs under the FDI Policy. The RBI no longer recognizes OCBs as an eligible class of investment vehicle under various routes and schemes under the foreign exchange regulations.

## **Investment by Foreign Portfolio Investors**

SEBI introduced Foreign Portfolio Investors Regulations 2014 (the “**FPI Regulations**”) which repealed SEBI (Foreign Institutional Investors), Regulations, 1995. Under the FPI Regulations, foreign institutional investors, sub-accounts and qualified foreign investors merged into a new investor class called Foreign Portfolio Investors (“**FPI**”). FPI Regulations restrict purchase of equity shares of each company by a single foreign portfolio investor or an investor group to below 10% of the total paid up equity capital of the company on a fully diluted basis.

The individual investment limits for the FPIs shall be below 10% of the total paid-up equity capital on a fully diluted basis.

Effective from April 1, 2020, the aggregate limit for investment by FPIs would be the sectoral cap applicable to such Indian company.

Portfolio investments up to the lower of (i) an aggregate foreign investment level of 49% or (ii) the sectoral/statutory cap will not be subject to either government approval or compliance with the sectoral conditions, as the case may be, provided that such investments do not result in a change in ownership and leading to control of Indian companies by non-resident entities.

## **Investment by Foreign Venture Capital Investors**

The RBI has liberalized and rationalized the investment regime for Foreign Venture Capital Investors (“**FVCIs**”) in order to boost foreign investment in Indian startups. The RBI permits FVCIs to invest under an automatic in equity regime or under an equity-linked instrument or debt instrument of unlisted Indian companies in certain specified sectors and in Indian startups, irrespective of the sector in which the startup is engaged. There are no restrictions on transfers of any security or instrument held by FVCIs to any person residing inside or outside India.

## **Overseas Investment**

Regulation 6 of the Notification No. FEMA.120/RB-2004 dated July 7, 2004 read together with Circular No. 1 dated July 3, 2014 as amended from time to time, issued by the RBI, provides that an Indian entity is permitted to invest in joint ventures or wholly owned subsidiaries abroad up to 400% of the net worth of the Indian entity as per its last audited financial statements. However, any financial commitment exceeding US\$ 1 billion or its equivalent in a financial year would require prior approval of the RBI even if the total financial commitment of the Indian entity is within 400% of the net worth as per its latest audited financial statements. Accordingly, a company can make financial commitments in a financial year of up to US\$ 1 billion, or such higher amount as may be approved by the RBI, subject to the overall amount being within limits of 400% of the company’s net worth as per its latest audited financial statements.

Indian companies are prohibited from making direct investments in an overseas entity (set up or acquired abroad directly, as a joint venture or a wholly-owned subsidiary, or indirectly, as a step-down subsidiary) located in the countries identified by the Financial Action Task Force as “non-cooperative countries and territories” or as notified by the RBI from time to time.

## **External Commercial Borrowings**

In December 2018, RBI notified the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018 (“**New ECB Regulations**”) superseding the earlier framework that applied to External Commercial Borrowings (“**ECB**”). The objective behind the New ECB Regulations was to a) simplify existing ECB framework and thereby making it easier for borrowers to access foreign debt funding, and b) merge the two existing regulations, i.e., Foreign Exchange Management (Borrowing or Lending in Foreign Exchange) Regulations, 2000 and Foreign Exchange Management (Borrowing or Lending in Rupees) Regulations, 2000, under one unified framework.

## **Competition Commission of India – Revised Confidentiality Regime**

On April 8, 2022, the Competition Commission of India (the “**CCI**”), amended the Competition Commission of India (General) Regulations, 2009 (“**General Regulations**”), and updated the confidentiality regime that is provided under Regulation 35 of the General Regulations. The General Regulations define the mechanism to deal with confidentiality requests that are made during the course of proceedings before the CCI and sets out the procedure and parameters for seeking confidentiality over submissions made by the parties.

The notification of the revised confidentiality regime and introduction of the ‘confidentiality ring’ will ensure that commercially sensitive information is protected from being disclosed to an unauthorized person. It introduces a more structured mechanism that will also be useful to the parties seeking access to the confidential case records, who can now approach the CCI in a more organized manner following the process to gain access to complete case records.

## **Taxation**

The following summary is based on the law and practice of the Indian Income-tax Act, 1961, including the special tax regime contained in Sections 115AC and 115ACA of the Income-tax Act, 1961, read with the 2014 Scheme. The Income-tax Act, 1961 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, 1961.

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, 1961, 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
- 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.
- Per the Finance Act, 2020, an Indian citizen who is not liable to tax in any other country or territory shall be deemed to be resident in India subject to fulfillment of certain conditions. This amendment is effective from April 1, 2021.

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. Pursuant to the Finance Act, 2020, an amendment is enacted in clause (b) of Explanation 1 of Subsection (1) to Section 6 whereby, for a citizen of India or a person of Indian origin visiting India, the period of 60 days or more is extended to 120 days or more, subject to fulfillment of certain conditions.

A company is a resident of India if it is incorporated in India or its place of effective management is in India during the year.

**Taxation of Distributions:** Prior to the Finance Act, 2020, companies paying a dividend were liable to pay the dividend distribution tax on the amount distributed as dividend and in certain circumstances where the dividend income was taxable in the hands of resident assessee, with few exceptions. The Finance Act, 2020 has abolished the dividend distribution tax, effective beginning the financial year commencing on April 1, 2020. This will have the effect of reducing the tax burden on such companies and the burden of tax payment will shift to the shareholder at the shareholder's applicable rate of tax. As per the current provisions, companies are liable to deduct tax at the source on dividends distributed to shareholders, both resident and non-resident, if the dividend is distributed beyond a certain threshold or due to non-submission of certain documents by the shareholder. Any distributions of additional ADSs or equity shares to resident or non-resident holders will not be subject to tax under the Income-tax Act, 1961.

**Taxation of Capital Gains:** The following is a brief summary of capital gains taxation of non-resident and resident holders 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 2014 Scheme. Gains realized upon the sale of ADSs and listed shares that have been held for a period of more than twenty-four 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 twenty-four 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 holder from the transfer of the ADSs will be subject to tax at the rate of 10%. Short-term capital gains on such a transfer as per the provisions of the Income-tax Act 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% as per the provisions of the Income-tax Act, 1961.
- 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 for sale executed before March 31, 2018 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 2018 has introduced a new section "112A" effective April 01, 2018—Long-term capital gains on such sale executed from April 1, 2018 will be taxable, subject to a threshold exemption of ₹ 100,000. However, the cost of acquisition would be taken as higher of actual cost and prevailing price as of January 31, 2018 (prevailing price would be restricted to the actual sale price if lower than the prevailing price as of January 31, 2018).

The Finance Act, 2015 amended the law to compute the holding period of capital asset being share or shares of a company, acquired by a non-resident on redemption of GDR, from the date on which a request for redemption was made.

- In addition to the above, a surcharge as set forth below and an additional surcharge called “Health and Education Cess” of 4% (effective financial year commencing April 1, 2018) is levied as follows:

Category of person	Net Income Range (in ₹)	Surcharge rate for FY 2021-22
Individual/HUF/AOP/BOI/artificial Juridical Person	0-5 million	Nil
	5 million – 10 million	10%
	10 million – 20 million	15%
	20 million – 50 million	25%
	Above 50 million	37%
Firms/Co-operative Society/Local Authority	0-10 million	Nil
	Above 10 million	12% (7% from FY 2022-23)
Domestic Company	0 – 10 million	Nil
	10 million – 100 million	7%
	Above 100 million	12% (rate is 10% for Companies opting for section 115BAA)
Foreign Company	0 – 10 million	Nil
	10 million – 100 million	2%
	Above 100 million	5%

- 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 FCCB. Effective April 2008, the conversion of FCCBs 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.
- 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, 1961, 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, 1961 on the transfer of securities as defined in Section 115AD of the Income-tax Act, 1961.

The value of shares/securities allotted under any Employees Stock Option Plan is treated as a perquisite in the hands of employees and will be taxed accordingly. The tax rate will vary from employee to employee, with a maximum of 42.74% (subject to the prevailing tax rate slab) on the perquisite value. The perquisite value is calculated as the difference between the fair market value of the share / security on the date of exercise minus the exercise price.

According to the 2014 Scheme, a non-resident holder’s holding period for the purposes of determining the applicable capital gains tax rate under the Income-tax Act, 1961, 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. For purposes of determining the holding period for a resident employee, the holding period starts from the date of allotment of such assets. 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 as per the domestic income tax law. 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 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 levied and an additional surcharge called “Health and Education Cess” of 4% in addition to the above tax and surcharge will be levied (Refer to table above for surcharge rates).

As per Section 55(2) of the Income-tax Act, 1961, 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:** 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 each pay a Securities Transaction Tax (“STT”), at the prescribed rates on 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 prescribed rates on 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. The STT rates are as follows:

<u>Taxable securities transaction</u>	<u>Rate</u>	<u>Payable by</u>
Purchase of an equity share in a company where—	0.1%	Purchaser
(a) the transaction of such purchase is entered into in a recognized stock exchange; and		
(b) the contract for the purchase of such share is settled by the actual delivery or transfer of such share.		
Sale of an equity share in a company where—	0.1%	Seller
(a) the transaction of such sale is entered into in recognized stock exchange; and		
(b) the contract for the sale of such share is settled by the actual delivery or transfer of such share.		
Sale of a unit of an equity-oriented fund, where—	0.001%	Seller
(a) the transaction of such sale is entered into in a recognized stock exchange; and		
(b) the contract for the sale of such unit is settled by the actual delivery or transfer of such unit.		
Sale of an equity share in a company or a unit of an equity-oriented fund, where—	0.025%	Seller
(a) the transaction of such sale is entered into in a recognized stock exchange; and		
(b) the contract for the sale of such share or unit is settled otherwise than by the actual delivery or transfer of such share or unit.		
(a) Sale of an option in securities	0.017%	Seller
(b) Sale of an option in securities, where option is exercised	0.125%	Purchaser
(c) Sale of a futures in securities	0.01%	Seller
Sale of a unit of an equity-oriented fund to the Mutual Fund.	0.001%	Seller

**Goods and Service Tax:** Brokerage or commission paid to stockbrokers in connection with the sale or purchase of shares is subject to levy of the Goods and Services Tax at an effective rate of 18%.

**Buyback of Securities:** Finance (No. 2) Act, 2019 extended the provisions of Section 115QA of the Income-tax Act, 1961 for buyback of shares, which were initially applicable only to unlisted companies, to the buyback of shares by listed companies. The Finance Act, 2013 levied a tax of 20% against the company for consideration paid to shareholders (in excess of the initial subscription amount) towards buyback of shares by an unlisted company under 115QA of the Income-tax Act, 1961. Pursuant to Finance (No. 2) Act, 2019, a company shall be liable for additional income tax on the distributed income for every buyback of shares, which will result in additional cash outflow. Currently, the rate of tax on buyback of shares is 20% (plus surcharge and cess).

**Stamp Duty and Transfer Tax:** Upon issuance of the equity shares underlying our ADSs, companies will be required to pay a stamp duty of 0.1% per share of the issue price of the underlying equity shares. A transfer of ADSs is not subject to Indian stamp duty. However, upon the acquisition of equity shares from the depository in exchange for ADSs, the non-resident holder will be liable for Indian stamp duty at the rate of 0.25% of the market value of the ADSs or equity shares exchanged. A sale of equity shares by a non-resident holder will also be subject to Indian stamp duty at the rate of 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.

**Gift Tax:** The Finance Act, 2017, inserted provisions related to tax on the receipts of any sum of money, by any person either without consideration or for an inadequate consideration for value exceeding ₹ 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, or in contemplation of death of the payer or donor.

**General Anti Avoidance Rule (“GAAR”):** The GAAR provisions to deal with the Organization for Economic Co-operation and Development’s Base Erosion and Profit Shifting project, of which India is an active participant, were applicable from fiscal year 2018. Pursuant to GAAR, an arrangement in which the main purpose, or one of the main purposes, is to obtain a tax benefit and may be declared as an “impermissible avoidance arrangement” if it also satisfies at least one of the following four tests. If any of our transactions are found to be impermissible avoidance arrangements under GAAR, our business, financial condition and results of operations may be adversely affected.

- The arrangement creates rights and obligations, which are not normally created between parties dealing at arm’s length.
- It results in misuse or abuse of provisions of tax laws.
- It lacks commercial substance or is deemed to lack commercial substance.
- It is carried out in a manner, which is normally not employed for a bona fide purpose.

**Minimum Alternative Tax (“MAT”):** From April 1, 2012 onwards, income arising out of any business carried on in a Special Economic Zone as a developer or unit along with regular income is subject to MAT. Any tax paid under MAT, will be eligible for adjustment against regular income tax liability computed under the Income-tax Act, 1961 for the following fifteen years as MAT credit. The rate of tax under MAT provisions is 17.47%. In the financial year ended March 31, 2020, the GoI amended the Income-tax Act, 1961 through The Taxation Laws (Amendment) Act, 2019, providing an option to pay a lower rate of tax of 22% (plus surcharge and cess) by foregoing all the deductions available under Chapter VI-A and other profit-linked deductions as prescribed in the Income-tax Act, 1961. This option, once exercised, is irrevocable and the corresponding MAT credit available will lapse. In the future, if a company opts for this lower rate of tax, this may lead to increase in tax outflow and the MAT credit available to the company will lapse.

**Advance Pricing Agreements (“APAs”):** The Company has concluded APAs in multiple jurisdictions in order to bring more predictability to the Company’s tax obligations in respect of its overseas operations. Any material changes to the critical assumptions underlying these APAs may have impact on taxes. Further, when these APAs expire, there is no certainty that they will be renewed. If renewed, there is no certainty as to whether they will be on the same terms.

**Base Erosion and Profit Shifting (“BEPS”):** The Company operates in various countries and any change in tax rates or tax laws of any country could have impact on taxes. There may be changes in tax rates in some countries as a result of the Organization for Economic Co-operation and Development’s Pillar Two Blueprint of the Inclusive Framework on BEPS which has an objective of having a global minimum tax rate. Further, the US has proposed some significant changes in tax policies as part of the “Made in America” tax plan. The tax proposals include an increase in corporate tax rates from 21% to 28%. There are also proposals related to global minimum tax, reducing profit shifting, minimum book profit tax, among other things. The impact on our tax cost will depend upon the proposals that will be incorporated into the final bill. There could be other changes in international tax laws and practices as a result of other pillars of BEPS (including tax on digital services) which may potentially impact our tax cost.

PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO 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 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 U.S. holders. For purposes of this discussion, “U.S. holders” are (a) individuals who are citizens or residents of the United States, (b) corporations (or other entities treated as corporations for U.S. federal income tax purposes) created in or under the laws of the United States or any political subdivision thereof or therein, (c) estates, the income of which is includable in gross income for U.S. federal income tax purposes, regardless of its source and (d) trusts having a valid election to be treated as “United States persons” (within the meaning of Section 7701(a)(30) of U.S. Internal Revenue Code of 1986, as amended (the “Code”) in effect under U.S. Treasury Regulations or the administration of which a U.S. court exercises primary supervision and with respect to which a United States person has the authority to control all substantial decisions.

This summary is limited to U.S. holders who hold or will hold equity shares or ADSs as capital assets. In addition, this summary is limited to U.S. holders who are not residents in India for purposes of the Convention between the Government of the United States of America and the GoI for the avoidance of Double Taxation and the prevention of Fiscal Evasion (the “Convention”) 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 its own tax advisor.

This summary does not address any tax considerations arising under the laws of any U.S. state or local or foreign jurisdiction, or tax considerations under any U.S. non-income tax laws. In addition, 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 Code, U.S. 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 could apply retroactively and could affect the tax consequences described below.

EACH PROSPECTIVE INVESTOR SHOULD CONSULT 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:** The gross amount of any distributions of cash or property (other than, generally, distributions of our equity shares) with respect to equity shares or ADSs will generally be included in income by a U.S. holder as foreign source dividend income at the time of receipt, which in the case of a U.S. holder of ADSs generally should be the date of receipt by the depositary, to the extent such distributions are made from the current or accumulated earnings and profits (as determined under U.S. federal income tax principles) of our company. Such dividends will not be eligible for the dividends received deduction (“DRD”) generally allowed to corporate U.S. holders, other than certain corporate U.S. holders who own 10% or more of us. 10% corporate U.S. holders should consult their tax advisors regarding any DRD to which they are entitled. To the extent, if any, that the amount of any distribution by our company exceeds our company’s current or 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 capital to the extent of the U.S. holder’s tax basis in the equity shares or ADSs and thereafter as capital gain. However, because we do not intend to determine our earnings and profits under U.S. federal income tax principles, any distribution will generally be treated as a dividend for U.S. federal income tax purposes.

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 U.S. federal income tax purposes.

A qualified foreign corporation generally includes a foreign corporation (1) with respect to any dividend it pays on its shares (or ADSs in respect of such shares) that 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 which the U.S. Treasury Secretary determines is satisfactory and which includes an exchange of information program. In addition, a corporation is not a qualified foreign corporation if it is a passive foreign investment company (as discussed below) for the taxable year in which the dividend is paid or the preceding taxable year. Our ADSs are traded on the NYSE, an established securities market in the United States as identified by Internal Revenue Service guidance. We may also be eligible for benefits under the Convention.

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 UNDER THE LAW IN EFFECT FOR THE YEAR OF THE DIVIDEND.

Subject to certain conditions and limitations, Indian dividend withholding tax, if any, imposed upon distributions paid to a U.S. holder with respect to such holder’s equity shares or ADSs generally should be eligible for credit against the U.S. holder’s U.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 will generally be “passive category income” for purposes of computing the United States foreign tax credit allowable to a U.S. holder. No foreign tax credit or deduction is allowed for taxes paid or accrued with respect to a dividend that qualifies for the DRD. 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. Subject to the “Passive Foreign Investment Company” discussion below, 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 tax in India, including withholding tax. See the “Taxation of Distributions” and

“Taxation of Capital Gains” discussion above. Due to limitations on foreign tax credits, however, a U.S. holder may not be able to utilize any such taxes as a credit against the U.S. holder’s federal income tax liability.

**Backup Withholding Tax and Information Reporting:** Any dividends paid, or proceeds on a sale of, equity shares or ADSs to or by a U.S. holder may be subject to U.S. information reporting, and backup withholding, currently at a rate of 24%, may apply unless the holder is an exempt recipient or provides such holder’s correct 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 may be allowed as a refund or credit against the holder’s U.S. federal income tax liability, provided that the required information is timely furnished to the IRS.

**Estate taxes:** An individual U.S. holder will have the value of the equity shares or ADSs held by such holder included in his or her gross estate for U.S. federal estate tax purposes. An individual holder who actually pays Indian estate tax with respect to the equity shares may, however, be entitled to credit the amount of such tax against his or her U.S. federal estate tax liability, subject to a number of conditions and limitations.

**Additional Tax on Net Investment Income:** U.S. holders that are individuals, estates or trusts and whose income exceeds certain thresholds are subject to a 3.8% tax on certain net investment income, including, among other things, dividends on, and capital gains from the sale or other taxable disposition of, equity shares or ADSs, subject to certain limitations and exceptions.

**Passive Foreign Investment Company:** A non-U.S. corporation will be classified as a passive foreign investment company for any taxable year 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 or is a controlled foreign corporation, 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 taxable year ended March 31, 2022. However, because this determination is made on an annual basis and depends on a variety of factors (including the value of our ADSs), no assurance can be given that we were not considered a passive foreign investment company in a prior taxable year, or that we will not be considered a passive foreign investment company for the current taxable year 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 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 ADSs or equity shares;
- if an election is made for us 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.

If we are treated as a passive foreign investment company for any taxable year during which a U.S. holder holds the ADSs or equity shares, we will continue to be treated as a passive foreign investment company with respect to such U.S. holder for all succeeding years during which the U.S. holder holds the ADSs or equity shares, unless we were to cease to be a passive foreign investment company and the U.S. holder makes a “deemed sale” election with respect to the ADSs or equity shares.

In addition, certain information reporting obligations may apply to U.S. holders if we are determined to be a passive foreign investment company.

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, AND ANY 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 D.C, 20549, at prescribed rates.

The SEC maintains a website at [www.sec.gov](http://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, Bengaluru, Karnataka, 560035, India.

**Subsidiary Information.**

For details of our subsidiaries, please refer to Note 32 of the Notes to the Consolidated Financial Statements.

## **Item 11. Quantitative and Qualitative Disclosures About Market Risk**

### **Market Risk**

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 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, lease liabilities and loans and borrowings.

Our exposure to market risk is a function of investment and financing 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. Please refer to the “Financial risk management” section of Item 18 for further details on market risk.

#### *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. Consequently, the Company is exposed to foreign exchange risk through receiving payment for sales and services in the United States and elsewhere, and making 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 our revenue is in U.S. Dollars, Pound Sterling, Euros, Australian Dollars and Canadian Dollars while a large portion of our costs are in Indian Rupees. The exchange rates between the rupee and these currencies have fluctuated significantly in recent years and may continue to fluctuate in the future. Appreciation of the Indian 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 designate certain derivative instruments as cash flow hedges to mitigate the foreign exchange exposure of forecasted highly probable cash flows. From time to time, we may also designate foreign currency denominated borrowings as a hedge of net investment in foreign operations.

As of March 31, 2022, a ₹ 1 increase in the spot exchange rate of the Indian rupee with the U.S. dollar would result in approximately ₹ 3,159 million (consolidated statement of income ₹ 1,366 million and other comprehensive income ₹ 1,793 million) decrease in the fair value, and a ₹ 1 decrease would result in approximately ₹ 3,165 million (consolidated statement of income ₹ 1,366 million and other comprehensive income ₹ 1,799 million) increase in the fair value of foreign currency dollar denominated derivative instruments (forward and option contracts).

#### *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. From time to time, to manage our net exposure to interest rate risk relating to borrowings, 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. Certain borrowings are also transacted at fixed interest rates. If interest rates were to increase by 100bps from March 31, 2022, additional net annual interest expense on our floating rate borrowing would amount to approximately ₹ 951 million.

#### *Credit risk*

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this, we periodically assess the credit rating and financial reliability of customers, considering the financial condition, current economic trends, forward-looking macroeconomic information, 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 of March 31, 2022 or revenues for the year ended March 31, 2022. 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 in India which are at least AA rated by Indian rating agencies. 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.

#### *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 and 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, 2022, our cash and cash equivalents are held with major banks and financial institutions. Please refer to the "Liquidity and Capital Resources" section of Item 5 for further details on assessment of our liquidity position.

## **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 Depositary Shares**

#### **Item 12.D.1.**

Not applicable.

#### **Item 12.D.2.**

Not applicable.

#### **Item 12.D.3. Fees and Charges for Holders of American Depositary Receipts**

JPMorgan Chase Bank, N.A., as Depositary for the ADSs collects fees as provided in the Deposit Agreement, as mentioned below. The following is qualified in its entirety by reference to the Amendment No. 4 to the Deposit Agreement filed as Exhibit (a)(5) to the Form F-6 filed on January 13, 2021. “The Depositary may charge, and collect from,

- (i) each person to whom ADSs are issued, including, without limitation, issuances against deposits of Shares, issuances in respect of Share Distributions, Rights and Other Distributions (as such terms are defined in paragraph (10)), issuances pursuant to a stock dividend or stock split declared by the Company, or issuances pursuant to a merger, exchange of securities or any other transaction or event affecting the ADSs or the Deposited Securities, and
- (ii) each person surrendering ADSs for withdrawal of Deposited Securities or whose ADSs are cancelled or reduced for any other reason, US\$ 5.00 for each 100 ADSs (or portion thereof) issued, delivered, reduced, cancelled or surrendered (as the case may be). The Depositary 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 following additional charges shall be incurred by the Holders, by any party depositing or withdrawing Shares or by any party surrendering ADSs and/or to whom ADSs are issued (including, without limitation, issuances pursuant to a stock dividend or stock split declared by the Company or an exchange of stock regarding the ADSs or the Deposited Securities or a distribution of ADSs pursuant to paragraph (10)), whichever is applicable

- (i) a fee of US\$ 0.05 or less per ADS for any Cash distribution made pursuant to the Deposit Agreement,
- (ii) a fee of US\$ 1.50 per ADR or ADRs for transfers made pursuant to paragraph (3) hereof,
- (iii) a fee for the distribution or sale of securities pursuant to paragraph (10) hereof, such fee being in an amount equal to the fee for the execution and delivery of ADSs referred to above which would have been charged as a result of the deposit of such securities (for purposes of this paragraph (7) treating all such securities as if they were Shares) but which securities or the net cash proceeds from the sale thereof are instead distributed by the Depositary to Holders entitled thereto,
- (iv) an aggregate fee of US\$ 0.05 per ADS per calendar year (or portion thereof) for services performed by the Depositary in administering the ADRs (which fee may be charged on a periodic basis during each calendar year and shall be assessed against Holders as of the record date or record dates set by the Depositary during each calendar year and shall be payable at the sole discretion of the Depositary by billing such Holders or by deducting such charge from one or more cash dividends or other cash distributions), and



- (v) a fee for the reimbursement of such fees, charges and expenses as are incurred by the Depositary and/or any of the Depositary's agents (including, without limitation, the Custodian and expenses incurred on behalf of Holders in connection with compliance with foreign exchange control regulations or any law or regulation relating to foreign investment) in connection with the servicing of the Shares or other Deposited Securities, the sale of securities (including, without limitation, Deposited Securities), the delivery of Deposited Securities or otherwise in connection with the Depositary's or its Custodian's compliance with applicable law, rule or regulation (which fees and charges shall be assessed on a proportionate basis against Holders as of the record date or dates set by the Depositary and shall be payable at the sole discretion of the Depositary by billing such Holders or by deducting such charge from one or more cash dividends or other cash distributions).

The Company will pay all other charges and expenses of the Depositary and any agent of the Depositary (except the Custodian) pursuant to agreements from time to time between the Company and the Depositary, except (i) stock transfer or other taxes and other governmental charges (which are payable by Holders or persons depositing Shares), (ii) SWIFT, 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), and (iii) transfer or registration fees for the registration or 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). The above-referenced charges may at any time and from time to time be changed by agreement between the Company and the Depositary.

#### **Item 12.D.4. Fees Paid by Depositary to the Company**

JPMorgan Chase Bank, N.A., as Depositary, has agreed to reimburse certain reasonable expenses related to the Company's ADR Program and incurred by the Company in connection with the Program. During the year ended March 31, 2022, an aggregate contribution of US\$ 453,249 (net of TDS and expenses) was received from the Depositary towards the ADR program and other expenses.

## **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, 2022, 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 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 principal executive officer and principal 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 15d-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 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 principal executive officer and principal financial officer, assessed the effectiveness of internal control over financial reporting as of March 31, 2022. In conducting this assessment of internal control over financial reporting, management based its evaluation on the criteria established in Internal Control – Integrated Framework (2013) 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, 2022.

Our independent registered public accounting firm, Deloitte Haskins & Sells, LLP, Chartered Accountants (“**Deloitte**”), 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, 2022.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

**To the shareholders and the Board of Directors of Wipro Limited**

### **Opinion on Internal Control over Financial Reporting**

We have audited the internal control over financial reporting of Wipro Limited and subsidiaries (the “Company”) as of March 31, 2022, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 31, 2022, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the financial statements as of and for the year ended March 31, 2022, of the Company and our report dated June 8, 2022, expressed an unqualified opinion on those financial statements.

### **Basis for Opinion**

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 are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. 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, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

#### **Definition and Limitations of Internal Control over Financial Reporting**

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.

/s/ Deloitte Haskins & Sells LLP

*Bengaluru, India*

June 8, 2022

#### *Change in internal controls over financial reporting.*

In response to COVID-19 pandemic, we initiated our business continuity program in March 2020 and facilitated our employees to work remotely / work from home. Our business continuity program and the design of our processes allows for remote execution with accessibility to secure data. There were no changes to our internal control over financial reporting that have materially affected or are reasonably likely to materially affect our internal control over financial reporting during the period covered in this Annual Report.

#### **Compliance with the New York Stock Exchange Corporate Governance Rules**

The Company presently complies substantially 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 January 11, 2013 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 NYSE.

## Item 16A. Audit Committee Financial Expert

The Audit Committee is responsible for reviewing reports of our financial results, audits, internal controls, and compliance with applicable 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 NYSE. The Board has determined that Mr. Deepak M. Satwalekar qualifies as an Audit Committee Financial Expert as defined by the applicable rules of the SEC. Our Board has also determined that Mr. Deepak M. Satwalekar is an independent director under applicable NYSE rules and Rule 10A-3 under the Exchange Act.

## Item 16B. 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 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](http://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](http://www.wipro.com).

We have adopted a Code of Business Conduct, applicable to all officers, directors and employees. Our Code of Business Conduct is available under the investor relations section on our website at [www.wipro.com](http://www.wipro.com). We have also adopted a Code of Conduct for Independent Directors as prescribed under the Companies Act, 2013, which is available under the investor relations section on our website at [www.wipro.com](http://www.wipro.com).

## Item 16C. 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 Deloitte for the audit of the Company's annual financial statements and fees billed for other services rendered by Deloitte for the year ended March 31, 2021 and March 31, 2022.

	Year ended March 31,	
	2021	2022
	(₹ in millions)	
Audit fees	₹ 83	₹ 138
Tax fees	44	78
All other fees	13	19
<b>Total</b>	<b>₹ 140</b>	<b>₹ 235</b>

*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, audits of interim financial statements and other audit/attestation services.

*Tax services:* comprise fees for tax compliance, tax assessment and tax planning services rendered. These services include assistance with research and development tax incentives in certain foreign jurisdictions, 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.

*Other services:* comprise fees for testing Service Organization Controls under International Standard on Assurance Engagements established by the International Auditing and Assurance Standards Board.

Substantially all of the work performed to audit our Consolidated Financial Statements was performed by our principal accountant firm's full-time, permanent employees.

**Item 16D. 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 16E. Purchase of Equity Securities by the Issuer and Affiliated Purchasers**

None.

**Item 16F. Changes in Registrant's Certifying Accountant**

None.

**Item 16G. Corporate Governance**

Since 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 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 as per the currently applicable listing regulations and those as per the NYSE listing requirements are as follows:

- Listing regulations with the Indian Stock Exchanges state that where the chairperson of the Board of Directors is a non-executive director, at least one-third of the Board of Directors shall comprise of independent directors and where the listed entity does not have a regular non-executive chairperson, at least half of the Board of Directors shall comprise of independent directors. On the other hand, NYSE listing requirements specify that a majority of the Board of Directors must consist of independent directors.
- Listing regulations with the Indian Stock Exchanges require that a majority of the members of the Audit Committee be independent directors while the NYSE listing requirements specify that all the members of the Audit Committee must be independent directors.
- A Shareholders Grievance Committee (Stakeholders Relationship Committee) is mandatory under listing regulations with the Indian Stock Exchanges. This is not a requirement under NYSE listing requirements.
- Criteria for determining directors to be independent also differ between the two countries' listing requirements.
- Listing regulations with the Indian Stock Exchanges require submission of report on Related Party Transactions on a consolidated basis and publication of the same on the company's website in the format specified by the accounting standard on a half-yearly basis.
- Listing regulations with the Indian Stock Exchanges require detailed reasons to be provided in the event of any resignation by statutory auditors or independent directors.
- Listing regulations with the Indian Stock Exchanges require that a company ensure that for the purposes of quarterly consolidated financial results, at least 80% of each of the consolidated revenue, assets and profits shall have been subject to audit or limited review.
- Listing regulations with the Indian Stock Exchanges require certain disclosures in a company's annual report, including details of significant changes (i.e., change of 25% or more as compared to the immediately preceding financial year) in key financial ratios, including debtors turnover, inventory turnover, interest coverage ratio, current ratio, debt equity ratio, operating profit margin and net profit margin, along with detailed explanations.
- Listing regulations with the Indian Stock Exchanges require the Nomination and Remuneration Committee to recommend to the Board of Directors all remuneration, in whatever form payable, to senior management.

The other key practices followed as per home country laws and provisions of the SEBI Listing Regulations are disclosed elsewhere in this report. Some or many of the amendments prescribed under the SEBI Listing Regulations are likely to be different from the NYSE listing requirements.

**Compliance with the New York Stock Exchange Corporate Governance Rules**

The Company presently complies substantially with all the practices as described in the final Corporate Governance Rules and Listing Standards of the NYSE as approved by the SEC on January 11, 2013 and codified in Section 303A of the NYSE Listed Company Manual.

A detailed compliance report with the final Corporate Governance rules of the NYSE will be separately filed with the NYSE.

**Item 16H. Mine Safety Disclosure**

Not Applicable.

**Item 16I. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections**

Not Applicable.

**PART III**

**Item 17. Financial Statements**

See Item 18.

## Item 18. Financial Statements

### Consolidated Statements and Other Financial Information

#### REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

##### To the shareholders and the Board of Directors of Wipro Limited

##### Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of Wipro Limited and subsidiaries (the “Company”) as of March 31, 2022 and 2021, the related consolidated statements of income, comprehensive income, shareholders’ equity, and cash flows, for each of the three years in the period ended March 31, 2022, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended March 31, 2022, in conformity with the 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) (PCAOB), the Company’s internal control over financial reporting as of March 31, 2022, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated June 8, 2022, expressed an unqualified opinion on the Company’s internal control over financial reporting.

##### Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

##### Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

***Revenue from fixed price contracts using the percentage of completion method - Refer Notes 2 (iv)(a), 3(xiv)B and 24 to the financial statements.***

##### *Critical Audit Matter Description*

Revenue from fixed-price contracts, including software development, and integration contracts, where the performance obligations are satisfied over time, is recognized using the percentage-of-completion method.

Use of the percentage-of-completion method requires the Company to determine the project costs incurred to date as a percentage of total estimated project costs at completion. The estimation of total project costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information. In addition, provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the total estimated project costs.

We identified the revenue recognition for fixed price contracts where the percentage-of-completion method is used as a critical audit matter because of the significant judgement involved in estimating the efforts to complete such contracts.



This estimate has a high inherent uncertainty and requires consideration of progress of the contract, efforts incurred to-date and estimates of efforts required to complete the remaining performance obligations.

This required a high degree of auditor judgment in evaluating the audit evidence supporting estimated efforts to complete and a higher extent of audit effort to evaluate the reasonableness of the total estimated efforts used to recognize revenue from fixed-price contracts.

*How the Critical Audit Matter Was Addressed in the Audit*

Our audit procedures related to estimates of efforts to complete for fixed-price contracts accounted using the percentage-of-completion method included the following, among others:

- We tested the effectiveness of controls relating to (1) recording of efforts incurred and estimation of efforts required to complete the remaining performance obligations, and (2) access and application controls pertaining to time recording and allocation systems, which prevents unauthorized changes to recording of efforts incurred.
- We evaluated management's ability to reasonably estimate the progress towards satisfying the performance obligation by comparing actual information to estimates for performance obligations that have been fulfilled.
- We selected a sample of fixed price contracts with customers accounted using percentage-of-completion method and performed the following:
  - Read the contract and based on the terms and conditions evaluated whether recognizing revenue over time using percentage of completion method was appropriate, and the contract was included in management's calculation of revenue over time.
  - Evaluated the appropriateness of and consistency in the application of management's policies and methodologies to estimate progress towards satisfying the performance obligation.
  - Compared efforts incurred to date with Company's estimate of efforts incurred to date to identify significant variations and evaluate whether those variations have been considered appropriately in estimating the remaining efforts to complete the contract.
  - Tested the estimate for consistency with the status of delivery of milestones and customer acceptances to identify possible delays in achieving milestones, which require changes in estimated efforts to complete the remaining performance obligations.
  - Evaluated other information that supported the estimates of the progress towards satisfying the performance obligation.

/s/ Deloitte Haskins & Sells LLP

Bengaluru, India

June 8, 2022

We have served as the Company's auditor since fiscal 2018.

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

		As at March 31,		
	Notes	2021	2022	2022
				Convenience translation into US dollar in millions (unaudited) Refer to Note 2(iii)
<b>ASSETS</b>				
Goodwill	6	139,127	246,989	3,255
Intangible assets	6	13,085	43,555	574
Property, plant and equipment	4	85,192	90,898	1,198
Right-of-Use assets	5	16,420	18,870	249
Financial assets				
Derivative assets	19	16	6	^
Investments	8	10,576	19,109	252
Trade receivables	9	4,358	4,765	63
Other financial assets	12	6,088	6,084	80
Investments accounted for using the equity method	8	1,464	774	10
Deferred tax assets	21	1,664	2,298	30
Non-current tax assets		14,323	10,256	136
Other non-current assets	13	15,935	14,826	195
<b>Total non-current assets</b>		<b>308,248</b>	<b>458,430</b>	<b>6,042</b>
Inventories	10	1,064	1,334	18
Financial assets				
Derivative assets	19	4,064	3,032	40
Investments	8	175,707	241,655	3,185
Cash and cash equivalents	11	169,793	103,836	1,369
Trade receivables	9	94,298	115,219	1,519
Unbilled receivables		27,124	60,809	801
Other financial assets	12	7,245	42,914	566
Contract assets		16,507	20,647	272
Current tax assets		2,461	2,373	31
Other current assets	13	24,923	28,933	381
<b>Total current assets</b>		<b>523,186</b>	<b>620,752</b>	<b>8,182</b>
<b>TOTAL ASSETS</b>		<b>831,434</b>	<b>1,079,182</b>	<b>14,224</b>
<b>EQUITY</b>				
Share capital		10,958	10,964	145
Share premium		714	1,566	21
Retained earnings		466,692	551,252	7,266
Share-based payment reserve		3,071	5,258	69
Special Economic Zone Re-investment reserve		41,154	47,061	620
Other components of equity		30,506	42,057	554
<b>Equity attributable to the equity holders of the Company</b>		<b>553,095</b>	<b>658,158</b>	<b>8,675</b>
Non-controlling interests		1,498	515	7
<b>TOTAL EQUITY</b>		<b>554,593</b>	<b>658,673</b>	<b>8,682</b>
<b>LIABILITIES</b>				
Financial liabilities				
Loans and borrowings	14	7,458	56,463	744
Lease liabilities	5, 14	13,513	15,177	200
Derivative liabilities	19	—	48	1
Other financial liabilities	16	2,291	2,961	39
Deferred tax liabilities	21	4,633	12,141	160
Non-current tax liabilities		11,069	17,818	235
Other non-current liabilities	17	7,835	7,571	100
Provisions	18	2	1	^
<b>Total non-current liabilities</b>		<b>46,801</b>	<b>112,180</b>	<b>1,479</b>
Financial liabilities				
Loans, borrowings and bank overdrafts	14	75,874	95,233	1,255
Lease liabilities	5, 14	7,669	9,056	119
Derivative liabilities	19	1,070	585	8

Trade payables and accrued expenses	15	76,512	99,034	1,305
Other financial liabilities	16	1,470	33,110	436
Contract liabilities		22,535	27,915	368
Current tax liabilities		17,324	13,231	174
Other current liabilities	17	24,552	27,394	361
Provisions	18	3,034	2,771	37
<b>Total current liabilities</b>		<b>230,040</b>	<b>308,329</b>	<b>4,063</b>
<b>TOTAL LIABILITIES</b>		<b>276,841</b>	<b>420,509</b>	<b>5,542</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>831,434</b>	<b>1,079,182</b>	<b>14,224</b>

^ Value is less than 1

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

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

	Notes	Year ended March 31,			
		2020	2021	2022	2022
					Convenience translation into US dollar in millions (unaudited) Refer to Note 2(iii)
Revenues	24	610,232	619,430	790,934	10,425
Cost of revenues	25	(436,085)	(423,205)	(555,872)	(7,327)
<b>Gross profit</b>		<b>174,147</b>	<b>196,225</b>	<b>235,062</b>	<b>3,098</b>
Selling and marketing expenses	25	(42,907)	(41,400)	(54,935)	(724)
General and administrative expenses	25	(29,823)	(34,686)	(46,382)	(611)
Foreign exchange gains/(losses), net	28	3,169	2,995	4,355	57
Other operating income/(loss), net	26	1,144	(81)	2,186	29
<b>Results from operating activities</b>		<b>105,730</b>	<b>123,053</b>	<b>140,286</b>	<b>1,849</b>
Finance expenses	27	(7,328)	(5,088)	(5,325)	(70)
Finance and other income	28	24,081	20,912	16,257	214
Share of net profit/(loss) of associates accounted for using the equity method	8	29	130	57	1
<b>Profit before tax</b>		<b>122,512</b>	<b>139,007</b>	<b>151,275</b>	<b>1,994</b>
Income tax expense	21	(24,799)	(30,345)	(28,946)	(382)
<b>Profit for the year</b>		<b>97,713</b>	<b>108,662</b>	<b>122,329</b>	<b>1,612</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		97,218	107,946	122,191	1,610
Non-controlling interests		495	716	138	2
<b>Profit for the year</b>		<b>97,713</b>	<b>108,662</b>	<b>122,329</b>	<b>1,612</b>
<b>Earnings per equity share:</b>	29				
<b>Attributable to equity holders of the Company</b>					
Basic		16.67	19.11	22.35	0.29
Diluted		16.62	19.07	22.29	0.29
<b>Weighted average number of equity shares used in computing earnings per equity share</b>					
Basic		5,833,384,018	5,649,265,885	5,466,705,840	5,466,705,840
Diluted		5,847,823,239	5,661,657,822	5,482,083,438	5,482,083,438

^ Value is less than 1

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

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

	Year ended March 31,			
	2020	2021	2022	2022
				Convenience translation into US dollar in millions (unaudited) Refer to Note 2(iii)
<b>Profit for the year</b>	<b>97,713</b>	<b>108,662</b>	<b>122,329</b>	<b>1,612</b>
<b>Other comprehensive income (OCI)</b>				
<b>Items that will not be reclassified to profit or loss in subsequent periods</b>				
Remeasurements of the defined benefit plans, net	(1,050)	223	399	5
Net change in fair value of investment in equity instruments measured at fair value through OCI	724	1,216	8,710	115
	<b>(326)</b>	<b>1,439</b>	<b>9,109</b>	<b>120</b>
<b>Items that will be reclassified to profit or loss in subsequent periods</b>				
Foreign currency translation differences	8,447	(656)	4,121	54
Reclassification of foreign currency translation differences on sale of investment in associates and liquidation of subsidiaries to statement of income	—	—	(158)	(2)
Net change in time value of option contracts designated as cash flow hedges	(520)	52	139	2
Net change in intrinsic value of option contracts designated as cash flow hedges	(1,558)	958	(100)	(1)
Net change in fair value of forward contracts designated as cash flow hedges	(2,652)	3,035	(292)	(4)
Net change in fair value of investment in debt instruments measured at fair value through OCI	1,222	1,851	(1,219)	(16)
	<b>4,939</b>	<b>5,240</b>	<b>2,491</b>	<b>33</b>
Total other comprehensive income, net of taxes	4,613	6,679	11,600	153
<b>Total comprehensive income for the year</b>	<b>102,326</b>	<b>115,341</b>	<b>133,929</b>	<b>1,765</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	101,673	114,678	133,742	1,763
Non-controlling interests	653	663	187	2
	<b>102,326</b>	<b>115,341</b>	<b>133,929</b>	<b>1,765</b>

^ Value is less than 1

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

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

Particulars	Number of Shares <sup>(1)</sup>	Share capital, fully paid-up	Share premium	Retained earnings	Share-based payment reserve	Special Economic Zone Re-investment reserve	Other components of equity			Equity attributable to the equity holders of the Company	Non-controlling interests	Total equity
							Foreign currency translation reserve	Cash flow hedging reserve	Other reserves <sup>(2)</sup>			
<b>As at April 1, 2019</b>	<b>6,033,935,388</b>	<b>12,068</b>	<b>533</b>	<b>506,135</b>	<b>2,617</b>	<b>28,565</b>	<b>15,250</b>	<b>2,415</b>	<b>533</b>	<b>568,116</b>	<b>2,637</b>	<b>570,753</b>
Adjustment on adoption of IFRS 16	—	—	—	(872)	—	—	—	—	—	(872)	—	(872)
Adjusted balance as at April 1, 2019	6,033,935,388	12,068	533	505,263	2,617	28,565	15,250	2,415	533	567,244	2,637	569,881
<b>Comprehensive income for the year</b>												
Profit for the year	—	—	—	97,218	—	—	—	—	—	97,218	495	97,713
Other comprehensive income	—	—	—	—	—	—	8,289	(4,730)	896	4,455	158	4,613
<b>Total comprehensive income for the year</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>97,218</b>	<b>—</b>	<b>—</b>	<b>8,289</b>	<b>(4,730)</b>	<b>896</b>	<b>101,673</b>	<b>653</b>	<b>102,326</b>
Issue of equity shares on exercise of options	2,498,925	5	742	—	(742)	—	—	—	—	5	—	5
Buyback of equity shares (3)	(323,076,923)	(646)	—	(105,000)	—	—	—	—	646	(105,000)	—	(105,000)
Transaction cost related to buyback of equity shares	—	—	—	(311)	—	—	—	—	—	(311)	—	(311)
Issue of shares by controlled trust on exercise of options (1)	—	—	—	1,026	(1,026)	—	—	—	—	—	—	—
Compensation cost related to employee share-based payment	—	—	—	9	1,262	—	—	—	—	1,271	—	1,271
Effect of modification of ADS RSUs from equity settled to cash settled (4)	—	—	—	—	(561)	—	—	—	—	(561)	—	(561)
Transferred to special economic zone re-investment reserve	—	—	—	(15,239)	—	15,239	—	—	—	—	—	—
Dividend (including dividend tax thereon) (3)	—	—	—	(6,863)	—	—	—	—	—	(6,863)	—	(6,863)
Dividend to Non-controlling interests holders	—	—	—	—	—	—	—	—	—	—	(1,415)	(1,415)
<b>Other transactions for the year</b>	<b>(320,577,998)</b>	<b>(641)</b>	<b>742</b>	<b>(126,378)</b>	<b>(1,067)</b>	<b>15,239</b>	<b>—</b>	<b>—</b>	<b>646</b>	<b>(111,459)</b>	<b>(1,415)</b>	<b>(112,874)</b>
<b>As at March 31, 2020</b>	<b>5,713,357,390</b>	<b>11,427</b>	<b>1,275</b>	<b>476,103</b>	<b>1,550</b>	<b>43,804</b>	<b>23,539</b>	<b>(2,315)</b>	<b>2,075</b>	<b>557,458</b>	<b>1,875</b>	<b>559,333</b>

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

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

Particulars	Number of Shares <sup>(1)</sup>	Share capital, fully paid-up	Share premium	Retained earnings	Share-based payment reserve	Special Economic Zone Re-investment reserve	Other components of equity			Equity attributable to the equity holders of the Company	Non-controlling interests	Total equity
							Foreign currency translation reserve	Cash flow hedging reserve	Other reserves <sup>(2)</sup>			
<b>As at April 1, 2020</b>	<b>5,713,357,390</b>	<b>11,427</b>	<b>1,275</b>	<b>476,103</b>	<b>1,550</b>	<b>43,804</b>	<b>23,539</b>	<b>(2,315)</b>	<b>2,075</b>	<b>557,458</b>	<b>1,875</b>	<b>559,333</b>
<b>Comprehensive income for the year</b>												
Profit for the year	—	—	—	107,946	—	—	—	—	—	107,946	716	108,662
Other comprehensive income	—	—	—	—	—	—	(603)	4,045	3,290	6,732	(53)	6,679
<b>Total comprehensive income for the year</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>107,946</b>	<b>—</b>	<b>—</b>	<b>(603)</b>	<b>4,045</b>	<b>3,290</b>	<b>114,678</b>	<b>663</b>	<b>115,341</b>
Issue of equity shares on exercise of options	3,281,165	6	866	—	(866)	—	—	—	—	6	—	6
Buyback of equity shares, including tax thereon <sup>(3)</sup>	(237,500,000)	(475)	(1,427)	(115,018)	—	—	—	—	475	(116,445)	—	(116,445)
Transaction cost related to buyback of equity shares	—	—	—	(199)	—	—	—	—	—	(199)	—	(199)
Issue of shares by controlled trust on exercise of options <sup>(1)</sup>	—	—	—	662	(662)	—	—	—	—	—	—	—
Effect of modification of ADS RSUs from cash settled to equity settled <sup>(4)</sup>	—	—	—	—	739	—	—	—	—	739	—	739
Compensation cost related to employee share-based payment	—	—	—	7	2,310	—	—	—	—	2,317	—	2,317
Transferred from special economic zone re-investment reserve	—	—	—	2,650	—	(2,650)	—	—	—	—	—	—
Dividend <sup>(3)</sup>	—	—	—	(5,459)	—	—	—	—	—	(5,459)	(960)	(6,419)
Others	—	—	—	—	—	—	—	—	—	—	(80)	(80)
<b>Other transactions for the year</b>	<b>(234,218,835)</b>	<b>(469)</b>	<b>(561)</b>	<b>(117,357)</b>	<b>1,521</b>	<b>(2,650)</b>	<b>—</b>	<b>—</b>	<b>475</b>	<b>(119,041)</b>	<b>(1,040)</b>	<b>(120,081)</b>
<b>As at March 31, 2021</b>	<b>5,479,138,555</b>	<b>10,958</b>	<b>714</b>	<b>466,692</b>	<b>3,071</b>	<b>41,154</b>	<b>22,936</b>	<b>1,730</b>	<b>5,840</b>	<b>553,095</b>	<b>1,498</b>	<b>554,593</b>

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

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

Particulars	Number of Shares(1)	Share capital, fully paid-up	Share premium	Retained earnings	Share-based payment reserve	Special Economic Zone Re-investment reserve	Other components of equity			Equity attributable to the equity holders of the Company	Non-controlling interests	Total equity
							Foreign currency translation reserve	Cash flow hedging reserve	Other reserves(2)			
<b>As at April 1, 2021</b>	<b>5,479,138,555</b>	<b>10,958</b>	<b>714</b>	<b>466,692</b>	<b>3,071</b>	<b>41,154</b>	<b>22,936</b>	<b>1,730</b>	<b>5,840</b>	<b>553,095</b>	<b>1,498</b>	<b>554,593</b>
<b>Comprehensive income for the year</b>												
Profit for the year	—	—	—	122,191	—	—	—	—	—	122,191	138	122,329
Other comprehensive income	—	—	—	—	—	—	3,914	(253)	7,890	11,551	49	11,600
<b>Total comprehensive income for the year</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>122,191</b>	<b>—</b>	<b>—</b>	<b>3,914</b>	<b>(253)</b>	<b>7,890</b>	<b>133,742</b>	<b>187</b>	<b>133,929</b>
Issue of equity shares on exercise of options	2,931,560	6	852	—	(852)	—	—	—	—	6	—	6
Issue of shares by controlled trust on exercise of options (1)	—	—	—	1,071	(1,071)	—	—	—	—	—	—	—
Compensation cost related to employee share-based payment	—	—	—	9	4,110	—	—	—	—	4,119	—	4,119
Transferred to special economic zone re-investment reserve	—	—	—	(5,907)	—	5,907	—	—	—	—	—	—
Dividend (3)	—	—	—	(32,804)	—	—	—	—	—	(32,804)	(1,135)	(33,939)
Others	—	—	—	—	—	—	—	—	—	—	(35)	(35)
<b>Other transactions for the year</b>	<b>2,931,560</b>	<b>6</b>	<b>852</b>	<b>(37,631)</b>	<b>2,187</b>	<b>5,907</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(28,679)</b>	<b>(1,170)</b>	<b>(29,849)</b>
<b>As at March 31, 2022</b>	<b>5,482,070,115</b>	<b>10,964</b>	<b>1,566</b>	<b>551,252</b>	<b>5,258</b>	<b>47,061</b>	<b>26,850</b>	<b>1,477</b>	<b>13,730</b>	<b>658,158</b>	<b>515</b>	<b>658,673</b>
Convenience translation into US dollar in millions (unaudited) Refer to Note 2(iii)		145	21	7,266	69	620	354	19	181	8,675	7	8,682

- (1) Includes 22,746,081, 19,401,215 and 14,689,729 treasury shares held as at March 31, 2020, 2021 and 2022, respectively by a controlled trust. 4,607,772, 3,344,866 and 4,711,486 shares have been transferred by the controlled trust to eligible employees on exercise of options during the year ended March 31, 2020, 2021 and 2022, respectively.
- (2) Refer to Note 20
- (3) Refer to Note 22
- (4) Refer to Note 30

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



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

	Year ended March 31,			
	2020	2021	2022	2022
				Convenience translation into US dollar in millions (unaudited) Refer to Note 2(iii)
<b>Cash flows from operating activities:</b>				
Profit for the year	97,713	108,662	122,329	1,612
<b>Adjustments to reconcile profit for the year to net cash generated from operating activities:</b>				
Gain on sale of property, plant and equipment, net	(11)	(516)	(313)	(4)
Depreciation, amortization and impairment expense	20,862	27,656	30,911	407
Unrealized exchange (gain)/loss, net and exchange (gain)/loss on borrowings	6,376	(2,251)	(1,021)	(13)
Share-based compensation expense	1,262	2,310	4,110	54
Share of net profit of associates accounted for using the equity method	(29)	(130)	(57)	(1)
Income tax expense	24,799	30,345	28,946	382
Finance and other income, net of finance expense	(18,945)	(16,614)	(9,447)	(125)
(Gain)/loss from sale of business and investment accounted for using the equity method	(1,144)	81	(2,186)	(29)
Gain on derecognition of contingent consideration payable	—	—	(301)	(4)
<b>Changes in operating assets and liabilities; net of effects from acquisitions:</b>				
Trade receivables	(3,327)	12,848	(11,833)	(156)
Unbilled receivables and Contract assets	(3,561)	(1,062)	(31,396)	(414)
Inventories	2,085	803	(256)	(3)
Other assets	(80)	931	(6,530)	(86)
Trade payables, accrued expenses, other liabilities and provisions	(12,401)	5,698	9,695	128
Contract liabilities	(6,572)	3,704	3,832	51
<b>Cash generated from operating activities before taxes</b>	<b>107,027</b>	<b>172,465</b>	<b>136,483</b>	<b>1,799</b>
Income taxes paid, net	(6,384)	(24,915)	(25,686)	(339)
<b>Net cash generated from operating activities</b>	<b>100,643</b>	<b>147,550</b>	<b>110,797</b>	<b>1,460</b>
<b>Cash flows from investing activities:</b>				
Payment for purchase of property, plant and equipment	(23,497)	(19,577)	(20,153)	(266)
Proceeds from disposal of property, plant and equipment	1,270	753	736	10
Payment for purchase of investments	(1,178,247)	(1,172,251)	(1,015,486)	(13,385)
Proceeds from sale of investments	1,212,826	1,189,059	953,735	12,571
Payment into restricted interim dividend account	—	—	(27,410)	(361)
Payment for business acquisitions including deposits and escrow, net of cash acquired	(10,003)	(9,873)	(129,846)	(1,711)
Proceeds from sale of business	7,459	—	—	—
Proceeds from sale of investment accounted for using the equity method	—	—	1,652	22
Interest received	23,837	19,624	12,275	162
Dividend received	367	4	2	^
<b>Net cash generated from/(used in) investing activities</b>	<b>34,012</b>	<b>7,739</b>	<b>(224,495)</b>	<b>(2,958)</b>
<b>Cash flows from financing activities:</b>				
Proceeds from issuance of equity shares and shares pending allotment	14	6	6	^
Repayment of loans and borrowings	(132,380)	(97,206)	(191,810)	(2,528)
Proceeds from loans and borrowings	106,342	103,418	260,120	3,428
Payment of lease liabilities	(6,784)	(8,660)	(9,730)	(128)
Payment for buyback of equity shares, including transaction cost	(105,311)	(95,199)	—	—
Payment of tax on buyback of equity shares	—	(21,445)	—	—
Payment for deferred contingent consideration	—	—	(309)	(4)
Interest and finance expenses paid	(4,601)	(3,335)	(5,089)	(67)
Payment of dividend	(5,689)	(5,459)	(5,467)	(72)
Payment of tax on cash dividend	(1,174)	—	—	—
Payment of dividend to Non-controlling interests holders	(1,415)	(960)	(1,135)	(15)
<b>Net cash generated from/(used in) financing activities</b>	<b>(150,998)</b>	<b>(128,840)</b>	<b>46,586</b>	<b>614</b>
Net increase/ (decrease) in cash and cash equivalents during the year	(16,343)	26,449	(67,112)	(884)
Effect of exchange rate changes on cash and cash equivalents	1,922	(890)	1,282	17
Cash and cash equivalents at the beginning of the year	158,525	144,104	169,663	2,236

<b>Cash and cash equivalents at the end of the year (Note 11)</b>	<b><u>144,104</u></b>	<b><u>169,663</u></b>	<b><u>103,833</u></b>	<b><u>1,369</u></b>
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Refer to Note 14 for supplementary information on the consolidated statement of cash flows.

^ Value is less than 1

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

**WIPRO LIMITED AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
(₹ 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 controlled trusts (collectively, “we”, “us”, “our”, “the Company” or the “Group”) is a global information technology (“IT”), consulting and business process services (“BPS”) company.

Wipro is a public limited company incorporated and domiciled in India. The address of its registered office is Wipro Limited, Doddakannelli, Sarjapur Road, Bengaluru – 560 035, Karnataka, India. The Company has its primary listing with BSE Ltd. and National Stock Exchange of India Ltd. The Company’s American Depository Shares (“ADS”) representing equity shares are also listed on the New York Stock Exchange.

The Company’s Board of Directors authorized these consolidated financial statements for issue on June 8, 2022.

**2. Basis of preparation of consolidated financial statements**

**(i) Statement of compliance and basis of preparation**

The consolidated financial statements have been prepared in compliance with International Financial Reporting Standards and its interpretations (“IFRS”), as issued by the International Accounting Standards Board (“IASB”). All accounting policies have been applied consistently to all periods presented in these consolidated financial statements, except for new accounting standards adopted by the Company.

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 consolidated statement of income, consolidated statement of comprehensive income and consolidated statement of financial position. These items are disaggregated separately in the notes to the consolidated financial statements, where applicable.

All amounts included in the consolidated financial statements are reported in millions of Indian 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. Previous year figures have been regrouped/rearranged, wherever necessary.

**(ii) 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 which have been measured at fair value as required by relevant IFRS:

- a. Derivative financial instruments,
- b. Financial instruments classified as fair value through other comprehensive income or fair value through profit or loss,
- c. The defined benefit liability/(asset) is recognized as the present value of defined benefit obligation less fair value of plan assets; and
- d. Contingent consideration.

**(iii) Convenience translation (unaudited)**

The accompanying consolidated financial statements have been prepared and reported in Indian rupees, the functional currency of the Parent Company. Solely for the convenience of the readers, the consolidated financial statements as at and for the year ended March 31, 2022, have been translated into United States dollars at the certified foreign exchange rate of \$1 = ₹ 75.87 as published by Federal Reserve Board of Governors on March 31, 2022. 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. Due to rounding off, the translated numbers presented throughout the document may not add up precisely to the totals.

**(iv) Use of estimates and judgment**

The preparation of the consolidated financial statements in conformity with IFRS requires the management to make judgments, accounting estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Accounting estimates are monetary amounts in the consolidated financial statements that are subject to measurement uncertainty. An accounting policy may require items in consolidated financial statements to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, management develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available and reliable information. Actual results may differ from those accounting estimates.

Accounting estimates and underlying assumptions are reviewed on an ongoing basis. Changes to accounting estimates are recognized in the period in which the estimates are changed and in any future periods affected. In particular, information about material areas of estimation, uncertainty and critical judgments in applying accounting policies that have the material effect on the amounts recognized in the consolidated financial statements are included in the following notes:

- a) **Revenue recognition:** The Company applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and is distinct in the context of the contract, if not, the promised product or service is combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. In cases where the Company is unable to determine the stand-alone selling price the Company uses expected cost-plus margin approach in estimating the stand-alone selling price. 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, revenue recognized, profit and timing of revenue for remaining performance obligations 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. Volume discounts are recorded as a reduction of revenue. When the amount of discount varies with the levels of revenue, volume discount is recorded based on estimate of future revenue from the customer.
- b) **Impairment testing:** Goodwill and intangible assets with indefinite useful life recognized on business combination are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of an asset or a cash generating unit to which an asset pertains is less than the carrying value. The Company assesses acquired intangible assets with finite useful life for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount of an asset or a cash generating unit is higher of value-in-use and fair value less cost of disposal. The calculation of value in use of an asset or a cash generating unit involves use of significant estimates and assumptions which include turnover, growth rates and net 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.
- 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 at the reporting date. 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 expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of deferred tax assets considered realizable, however, could reduce in the near term if estimates of future taxable income during the carry-forward period are reduced.
- d) **Business combinations:** In accounting for business combinations, judgment is required to assess whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets acquired (including useful life estimates), liabilities assumed, and contingent consideration 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.
- e) **Defined benefit plans and compensated absences:** The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- f) **Expected credit losses on financial assets:** The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the expected credit loss calculation based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

- g) **Useful lives of property, plant and equipment:** The Company depreciates property, plant and equipment on a straight-line basis over estimated useful lives of the assets. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.
- h) **Useful lives of intangible assets:** The Company amortizes intangible assets on a straight-line basis over estimated useful lives of the assets. The useful life is estimated based on a number of factors including the effects of obsolescence, demand, competition and other economic factors such as the stability of the industry and known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the assets. The estimated useful life is reviewed at least annually.
- i) **Provisions and contingent liabilities:** The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates.

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements.

- j) **Uncertainty relating to the global health pandemic on COVID-19:** In assessing the recoverability of receivables including unbilled receivables, contract assets and contract costs, goodwill, intangible assets, and certain investments, the Company has considered internal and external information up to the date of approval of these consolidated financial statements including credit reports and economic forecasts. Based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

The Company bases its assessment on the belief that the probability of occurrence of forecasted transactions is not impacted by COVID-19. The Company has considered the effect of changes, if any, in both counterparty credit risk and its own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness and continues to believe that COVID-19 has no impact on effectiveness of its hedges.

The impact of COVID-19 may be different from what we have estimated as of the date of approval of these consolidated financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

### **3. Material accounting policy information**

#### **(i) Basis of consolidation**

##### ***Subsidiaries and controlled trusts***

The Company determines the basis of control in line with the requirements of *IFRS 10, Consolidated Financial Statements*. Subsidiaries and controlled trusts are entities controlled by the Group. The Group controls an entity when the parent has power over the entity, it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries and controlled trusts are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and all intra-Group balances, transactions, income and expenses are eliminated in full on consolidation.

##### ***Non-controlling interests***

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition to acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interests having a deficit balance.

##### ***Investments accounted for using the equity method***

Investments accounted for using the equity method 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 and are initially recognized at cost. The carrying amount of investment is increased/ decreased to recognize investors share of profit or loss of the investee after the acquisition date.

##### ***Non-current assets and disposal groups held for sale***

Assets and liabilities of disposal groups that are available for immediate sale and where the sale is highly probable of being completed within one year from the date of classification are considered and classified as assets held for sale and liabilities associated with assets held for sale. Non-current assets and disposal groups held for sale are measured at the lower of carrying amount and fair value less costs to sell.

#### **(ii) Functional and presentation currency**

Items included in the financial statements of each of the Company's entities 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 rupees, which is the functional currency of the Parent Company.

#### **(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 date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at the exchange rates prevailing at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of income and reported within foreign exchange gains/(losses), net, within results of operating activities except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges. Net loss relating to translation or settlement of borrowings denominated in foreign currency are reported within finance expense. Net gain relating to translation or settlement of borrowings denominated in foreign currency are reported within finance and other income. Non-monetary assets and liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on non-monetary financial assets measured at fair value at the reporting date, such as equities classified as financial instruments measured at fair value through other comprehensive income are included in other comprehensive income, net of taxes.

## **b) Foreign operations**

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations that have a functional currency other than Indian rupees are translated into Indian rupees 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, except to the extent that the translation difference is allocated to non-controlling interest. When a foreign operation is disposed of, the relevant amount recognized in FCTR is transferred to the consolidated 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 differences are recognized in the consolidated statement of income.

When the hedged part of a net investment is disposed of, the relevant amount recognized in FCTR is transferred to the consolidated 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:**

Non-derivative financial instruments consist of:

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

Non-derivative financial instruments are recognized initially at fair value. Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

### **a. Cash and cash equivalents**

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

For the purposes of the statement of cash flows, 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. In the consolidated statement of financial position, bank overdrafts are presented under borrowings within current liabilities.

## **b. Investments**

*Financial instruments measured at amortized cost:*

Debt instruments that meet the following criteria are measured at amortized cost (except for debt instruments that are designated at fair value through Profit or Loss (FVTPL) on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

*Financial instruments measured at fair value through other comprehensive income (FVTOCI):*

Debt instruments that meet the following criteria are measured at fair value through other comprehensive income (FVTOCI) (except for debt instruments that are designated at fair value through Profit or Loss (FVTPL) on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial asset; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

Interest income is recognized in the consolidated statement of income for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognized in other comprehensive income. When the investment is disposed of, the cumulative gain or loss previously accumulated in reserves is transferred to the consolidated statement of income.

*Financial instruments measured at fair value through profit or loss (FVTPL):*

Instruments that do not meet the amortized cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in consolidated statement of income. The gain or loss on disposal is recognized in the consolidated statement of income.

Interest income is recognized in the consolidated statement of income for FVTPL debt instruments. Dividend on financial assets at FVTPL is recognized when the Group's right to receive dividend is established.

*Investments in equity instruments:*

The Company carries certain equity instruments which are not held for trading. At initial recognition, the Company may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income (FVTOCI) or through statement of income (FVTPL). For investments designated to be classified as FVTOCI, movements in fair value of investments are recognized in other comprehensive income and the gain or loss is not transferred to consolidated statement of income on disposal of investments. For investments designated to be classified as FVTPL, both movements in fair value of investments and gain or loss on disposal of investments are recognized in the consolidated statement of income.

Dividends from these investments are recognized in the consolidated statement of income when the Company's right to receive dividends is established.

**c. Other financial assets:**

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment losses. These comprise trade receivables, unbilled receivables, finance lease receivables, employee and other advances and eligible current and non-current assets.

**d. Trade payables, accrued expenses, and other liabilities**

Trade payables, accrued expenses, and other liabilities are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short-term maturity of these instruments. Contingent consideration recognized in a business combination is subsequently measured at fair value through profit or loss.

**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 primarily a bank.



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

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

**a. Cash flow hedges**

Changes in the fair value of the derivative hedging instruments designated as a cash flow hedge are recognized in other comprehensive income and held in cash flow hedging reserve, net of taxes, 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 consolidated statement of income and reported within foreign exchange gains/(losses), net, within results from operating activities. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the consolidated 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 consolidated statement of income.

**b. Hedges of net investment in foreign operations**

The Company designates derivative financial instruments as hedges of net investments in foreign operations. The Company also designates foreign currency denominated borrowing 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 presented within equity in the FCTR to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the consolidated statement of income and reported within foreign exchange gains/(losses), net within results from operating activities.

**c. Others**

Changes in fair value of foreign currency derivative instruments neither designated as cash flow hedges nor hedges of net investment in foreign operations are recognized in the consolidated statement of income and reported within foreign exchange gains/(losses), net within results from operating activities. Changes in fair value and gains/(losses), net, on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance expenses.

**C) Derecognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IFRS 9. If the Company retains substantially all the risks and rewards of a transferred financial asset, the Company continues to recognize the financial asset and recognizes a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognized from the Company's statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

**(v) Equity and share capital**

**a) Share capital and Share premium**

The authorized share capital of the Company as at March 31, 2022 is ₹ 25,274 divided into 12,504,500,000 equity shares of ₹ 2 each, 25,000,000 preference shares of ₹ 10 each and 150,000 10% optionally convertible cumulative preference shares of ₹ 100 each. 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 at 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 22,746,081, 19,401,215 and 14,689,729 treasury shares as at March 31, 2020, 2021 and 2022, respectively. Treasury shares are recorded at acquisition cost.

**c) Retained earnings**

Retained earnings comprises of the Company's undistributed earnings after taxes. This includes Capital reserve as at March 31, 2020, 2021 and 2022 amounting to ₹ 1,139, ₹ 1,139 and ₹ 1,139 respectively, which is not freely available for distribution.

**d) Special Economic Zone Re-Investment reserve**

The Special Economic Zone Re-Investment Reserve has been created out of profit of eligible SEZ units as per provisions of section 10AA(1)(ii) of the Income-tax Act, 1961 for acquiring new plant and machinery. The said reserve should be utilized by the Company for acquiring plant and machinery as per the terms of Section 10AA(2) of the Income-tax Act, 1961. This reserve is not freely available for distribution.

**e) 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 and restricted stock unit options by employees.

**f) Foreign currency translation reserve (FCTR)**

The exchange differences arising from the translation of financial statements of foreign subsidiaries, differences arising from translation of long-term inter-company receivables or payables relating to foreign operations, settlement of which is neither planned nor likely in the foreseeable future, 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, net of taxes and presented within equity in the FCTR.

**g) 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 as cash flow hedging reserve.

**h) Other reserves**

Changes in the fair value of financial instruments measured at fair value through other comprehensive income and actuarial gains and losses on remeasurements of the defined benefit plans are recognized in other comprehensive income, net of taxes and presented within equity in other reserves.

Other reserves also include Capital redemption reserve, which is not freely available for distribution. As per the Companies Act, 2013, Capital redemption reserve is created when a company purchases its own shares out of free reserves or share premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve can be utilized in accordance with the provisions of section 69 of the Companies Act, 2013. As of March 31, 2022, capital redemption reserve amounting to ₹ 1,122 (March 31, 2021: ₹ 1,122) is not freely available for distribution.

**i) Dividend**

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

**j) Buyback of equity shares**

The buyback of equity shares, including tax thereon and related transaction costs are recorded as a reduction of free reserves. Further, capital redemption reserve is created as an apportionment from retained earnings.

**k) Bonus issue**

For the purpose of bonus issue, the amount is transferred from capital redemption reserves, share premium and retained earnings to the share capital.

## **(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. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

Capital work-in-progress are measured at cost less accumulated impairment losses, if any.

### **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. Leasehold improvements are amortized over the shorter of estimated useful life of the asset or the related lease term. Term licenses are amortized over their respective contract term. Freehold land is not depreciated. The estimated useful life of assets is reviewed and where appropriate are adjusted, annually. The estimated useful lives of assets are as follows:

<u>Category</u>	<u>Useful life</u>
Buildings	28 to 40 years
Plant and equipment	5 to 21 years
Computer equipment and software	2 to 7 years
Furniture, fixtures and equipment	3 to 10 years
Vehicles	4 to 5 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 at 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 combinations, Goodwill, and Intangible assets**

### **a) Business combinations**

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed, and equity instruments issued at the date of exchange by the Company. 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 acquisition are expensed as incurred.

The cost of an acquisition also includes the fair value of any contingent consideration measured as at the date of acquisition. Any subsequent changes to the fair value of contingent consideration classified as liabilities, other than measurement period adjustments, are recognized in the consolidated statement of income.

### **b) Goodwill**

The excess of the cost of an acquisition over the Company's share in the fair value of the acquiree's identifiable assets and liabilities is recognized as goodwill. If the excess is negative, a bargain purchase gain is recognized immediately in the consolidated statement of income. Goodwill is measured at cost less accumulated impairment (if any).

Goodwill associated with disposal of an operation that is part of cash-generating unit is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained, unless some other method better reflects the goodwill associated with the operation disposed of.

### **c) 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 accumulated amortization and impairment losses, if any.

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 is included in selling and marketing expenses in the consolidated statement of income.

The estimated useful life of amortizable intangibles is reviewed and where appropriate is adjusted, annually. The estimated useful lives of the amortizable intangible assets are as follows:

Category	Useful life
Customer-related intangibles	1 to 15 years
Marketing-related intangibles	2.5 to 10 years

#### (viii) Leases

On April 1, 2019, the Company adopted IFRS 16 “Leases”, which applied to all lease contracts outstanding as at April 1, 2019, using modified retrospective method by recording the cumulative effect of initial application as an adjustment to opening retained earnings. The adoption of the new standard has resulted in a reduction of ₹ 872 in retained earnings, net of deferred tax asset of ₹ 138.

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under IFRS 16.

#### The Company as a lessee

The Company enters into an arrangement for lease of land, buildings, plant and equipment including computer equipment and vehicles. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

- (a) control use of an identified asset,
- (b) obtain substantially all the economic benefits from use of the identified asset, and
- (c) direct the use of the identified asset.

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right of Use (“RoU”) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short-term leases) and low-value assets. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the RoU assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the RoU assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The RoU assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of RoU assets. The estimated useful lives of RoU assets are determined on the same basis as those of property, plant and equipment.

The Company applies IAS 36 to determine whether a RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the RoU assets. Where the carrying amount of the RoU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in consolidated statement of income.

Payment of lease liabilities are classified as cash used in financing activities in the consolidated statement of cash flows.

#### The Company as a lessor

Leases under which the Company is a lessor are classified as a finance or operating lease. Lease contracts where all the risks and rewards are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating lease.

For leases under which the Company is an intermediate lessor, the Company accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.



## **(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 applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments classified as FVTOCI, trade receivables, unbilled receivables, contract assets, finance lease receivables, and other financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted using the effective interest rate.

Loss allowances for trade receivables, unbilled receivables, contract assets and finance lease receivables are measured at an amount equal to lifetime expected credit loss. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to account, risk profiling of customers and historical credit loss experience adjusted for forward looking information. For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss.

### **b) Non-financial assets**

The Company assesses long-lived assets such as property, plant and equipment, RoU assets 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 or group of assets.

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 represents the lowest level at which goodwill is monitored for internal management purposes.

The recoverable amount of an asset or cash generating unit is the higher of its fair value less cost of disposal (“FVLCD”) and its value-in-use (“VIU”). The VIU of long-lived assets is calculated using projected future cash flows. FVLCD of a cash generating unit is computed using turnover and earnings multiples. 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 consolidated 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. An impairment loss in respect of goodwill is not reversed.

## **(xi) Employee benefits**

### **a) Post-employment 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 sole 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 are borne by the employee. The expenditure for defined contribution plans is recognized as an 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 are borne by the Company. The present value of the defined benefit obligations is calculated by an independent actuary using the projected unit credit method.

Remeasurements of the defined benefit plans, comprising actuarial gains or losses, and the return on plan assets (excluding interest) are immediately recognized in other comprehensive income, net of taxes and not reclassified to profit or loss in subsequent period.

Net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate, is recognized as part of remeasurements of the defined benefit plans through other comprehensive income, net of taxes.

The Company has the following employee benefit plans:

## **A. Provident fund**

Eligible employees receive benefits under the Company's provident fund plan, into which both the employer and employees make periodic contributions to the approved provident fund trust managed by the Company. A portion of the employer's contribution is made to the government administered pension fund. The contributions to the trust managed by the Company is accounted for as a defined benefit plan as the Company is liable for any shortfall in the fund assets based on the government specified minimum rates of return.

Certain employees receive benefits under the provident fund plan in which both the employer and employees make periodic contributions to the government administered provident fund. A portion of the employer's contribution is made to the government administered pension fund. This is accounted as a defined contribution plan as the obligation of the Company is limited to the contributions made to the fund.

## **B. Gratuity and foreign pension**

In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, 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 third party fund managers.

The Company also maintains pension and similar plans for employees outside India, based on country specific regulations. These plans are partially funded, and the funds are managed by third party fund managers. The plans provide for monthly payout after retirement as per salary drawn and service period or for a lumpsum payment as set out in rules of each fund.

The Company's obligations in respect of these plans, which are defined benefit plans, are provided for based on actuarial valuation using the projected unit credit method.

## **C. Superannuation**

Superannuation plan, a defined contribution scheme is administered by third party fund managers. The Company makes annual contributions based on a specified percentage of each eligible employee's salary.

### **b) Termination benefits**

Termination benefits are expensed when the Company can no longer withdraw the offer of those benefits.

### **c) Short-term benefits**

Short-term employee benefit obligations such as cash bonus, management incentive plans or profit-sharing plans 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 management incentive plans 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 using the projected unit credit method. Non-accumulating compensated absences are recognized in the period in which the absences occur.

## **(xii) Share-based payment transactions**

Selected employees of the Company receive remuneration in the form of equity settled instruments or cash settled instruments, for rendering services over a defined vesting period and for Company's performance-based stock options over the defined 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 consolidated statement of income with a corresponding increase to the share-based payment reserve, a component of equity.

The equity instruments or cash settled 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 or cash settled instruments that will eventually vest.

Cash Settled instruments granted are re-measured by reference to the fair value at the end of each reporting period and at the time of vesting. The expense is recognized in the consolidated statement of income with a corresponding increase to financial liability.

### **(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, considering 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 Company 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, maintenance of software/hardware and related services, business process services, sale of IT and other products.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognize revenues, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method. Stand-alone selling prices are determined based on sale prices for the components when it is regularly sold separately, in cases where the Company is unable to determine the stand-alone selling price the Company uses third-party prices for similar deliverables or the Company uses expected cost-plus margin approach in estimating the stand-alone selling price.

For performance obligations where control is transferred over time, revenues are recognized by measuring progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the promised products or services to be provided.

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**

##### **i. Fixed-price development contracts**

Revenues from fixed-price development contracts, including software development, and integration contracts, where the performance obligations are satisfied over time, are recognized using the "percentage-of-completion" method. The performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. 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 is not able to reasonably measure the progress of completion, revenue is recognized only to the extent of costs incurred, for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the consolidated statement of income in the period in which such losses



become probable based on the current contract estimates as an onerous contract provision.

A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets primarily relate to unbilled amounts on fixed-price development contracts and are classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

A contract liability is an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.

Unbilled receivables on other than fixed-price development contracts are classified as a financial asset where the right to consideration is unconditional and only the passage of time is required before the payment is due.

## **ii. Maintenance contracts**

Revenues related to fixed-price maintenance contracts are recognized on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or ratably using percentage of completion method when the pattern of benefits from the services rendered to the customers and the cost to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive.

Revenue for contracts in which the invoicing is representative of the value being delivered is recognized based on our right to invoice. If our invoicing is not consistent with value delivered, revenues are recognized as the service is performed using the percentage of completion method.

In certain projects, a fixed quantum of service or output units is agreed at a fixed price for a fixed term. In such contracts, revenue is recognized with respect to the actual output achieved till date as a percentage of total contractual output. Any residual service unutilized by the customer is recognized as revenue on completion of the term.

## **iii. Element or Volume based contracts**

Revenues and costs are recognized as the related services are rendered.

## **C. Products**

Revenue on product sales are recognized when the customer obtains control of the specified product.

## **D. Others**

- Any change in scope or price is considered to be a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the stand-alone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the stand-alone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the stand-alone selling price.
- The Company accounts for variable considerations like volume discounts, rebates and pricing incentives to customers and penalties as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which the Company may be entitled and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.
- Revenues are shown net of allowances / returns, sales tax, value added tax, goods and services tax and applicable discounts and allowances.
- 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.
- Incremental costs that relate directly to a contract and incurred in securing a contract with a customer are recognized as an asset when the Company expects to recover these costs and amortized over the contract term.
- The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is amortized on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates.
- The Company assesses the timing of the transfer of goods or services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Company does not assess the existence of a significant

financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

- The Company may enter into arrangements with third-party suppliers to resell products or services. In such cases, the Company evaluates whether the Company is the principal (i.e., report revenues on a gross basis) or agent (i.e., report revenues on a net basis). In doing so, the Company first evaluates whether the Company controls the good or service before it is transferred to the customer. If Company controls the good or service before it is transferred to the customer, Company is the principal; if not, the Company is the agent.
- Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contract and are recognized in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses.

#### **(xv) Finance expenses**

Finance expenses comprises interest cost on borrowings, lease liabilities and net defined benefit liability, gains or losses arising on re-measurement of financial assets measured at FVTPL, net loss on translation or settlement of foreign currency borrowings and changes in fair value and gains / (losses) on settlement of related derivative instruments. Borrowing costs that are not directly attributable to a qualifying asset are recognized in the consolidated statement of income using the effective interest method.

#### **(xvi) Finance and other income**

Finance and other income comprise interest income on deposits, dividend income, gains / (losses) on disposal of investments and net gain on translation or settlement of foreign currency borrowings. 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 consolidated 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 amounts are those that are enacted or substantively enacted as at the reporting date and applicable for the period. While determining the tax provisions, the Company assesses whether each uncertain tax position is to be considered separately or together with one or more uncertain tax positions depending upon the nature and circumstances of each uncertain tax position. 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 assets are recognized to the extent 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 that is expected to reverse within the tax holiday period, 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.

The Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is a right and an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

#### **(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, except where the results would be anti-dilutive.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any splits and bonus shares issues including for change effected prior to the approval of the consolidated financial statements by the Board of Directors.

#### **(xix) Statement of cash flows**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash from operating, investing and financing activities of the Company are segregated.

#### **(xx) Assets held for sale**

Sale of business is classified as held for sale, if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification as held for sale is met when disposal business is available for immediate sale and the same is highly probable of being completed within one year from the date of classification as held for sale.

#### **(xxi) Discontinued operations**

A discontinued operation is a component of the Company's business that represents a separate line of business that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

#### **(xxii) Disposal of assets**

The gain or loss arising on disposal or retirement of assets is recognized in the consolidated statement of income.

### **New Accounting standards, amendments and interpretations adopted by the Company effective from April 1, 2021:**

#### **Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark Reform (Phase 2)**

The IASB issued Interest Rate Benchmark Reform (Phase 2), which amends IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. The amendments complement those issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. The amendments in this final phase relate to the modification of financial assets, financial liabilities and lease liabilities, specific hedge accounting requirements, and disclosure requirements applying IFRS 7 to accompany the amendments regarding modifications and hedge accounting. The adoption of the amendment to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 did not have any material impact on the consolidated financial statements.

#### **IFRS 9 – Annual Improvements to IFRS Standards—2018-2020**

On May 14, 2020, IASB amended IFRS 9 as part of its Annual Improvements to IFRS Standards 2018-2020. The amendment clarifies which fees an entity includes when it applies the '10 percent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability. The early adoption of amendments to IFRS 9 did not have any material impact on the consolidated financial statements.

#### **Amendments to IAS 1 – Presentation of Financial Statements**

On February 12, 2021, the IASB amended IAS 1 "Presentation of Financial Statements". The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendments clarify that accounting policy information may be material because of its nature, even if the related amounts are immaterial. The amendments also clarified that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements; and the amendments clarify that if an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information. The early adoption of amendments to IAS 1 did not have any material impact on the consolidated financial statements.

#### **Amendments to IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

On February 12, 2021, the IASB amended IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events. The early adoption of amendments to IAS 8 did not have any material impact on the consolidated financial statements.



**New amendments not yet adopted:**

Certain new standards, amendments to standards and interpretations are not yet effective for annual periods beginning after April 1, 2021 and have not been applied in preparing these consolidated financial statements. New standards, amendments to standards and interpretations that could have potential impact on the consolidated financial statements of the Company are:

**Amendments to IAS 37 – Onerous Contracts – Cost of Fulfilling a Contract**

On May 14, 2020, the IASB issued “Onerous Contracts — Cost of Fulfilling a Contract (Amendments to IAS 37)”, amending the standard regarding costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous. The amendment specifies that the “cost of fulfilling” a contract comprises the “costs that relate directly to the contract”. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts. These amendments are effective for annual reporting periods beginning on or after January 1, 2022, with earlier application permitted. The adoption of amendments to IAS 37 is not expected to have any material impact on the consolidated financial statements.

**Amendment to IAS 1 – Presentation of Financial Statements**

On January 23, 2020, the IASB issued “Classification of liabilities as Current or Non-Current (Amendments to IAS 1)” providing a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangement in place at the reporting date. The amendments aim to promote consistency in applying the requirements by helping companies to determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments also clarified the classification requirements for debt a company might settle by converting it into equity. These amendments are effective for annual reporting periods beginning on or after January 1, 2023 and are to be applied retrospectively, with earlier application permitted. The adoption of amendments to IAS 1 is not expected to have any material impact on the consolidated financial statements of the Company.

**Amendments to IAS 12 – “Income Taxes”**

On May 7, 2021, the IASB amended IAS 12 “Income Taxes” and published ‘Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)’ that clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. In specified circumstances, companies are exempt from recognizing deferred tax when they recognize assets or liabilities for the first time. The amendments clarify that this exemption does not apply to transactions such as leases and decommissioning obligations and companies are required to recognize deferred tax on such transactions. These amendments are effective for annual reporting periods beginning on or after January 1, 2023 and are to be applied retrospectively, with earlier application permitted. The Company is currently evaluating the impact of amendment to IAS 12 on the consolidated financial statements.

#### 4. Property, plant and equipment

	Land	Buildings	Plant and equipment (1)	Furniture fixtures and equipment	Vehicles	Total
<b>Gross carrying value:</b>						
<b>As at April 1, 2020</b>	₹ 3,761	₹ 36,510	₹ 100,695	₹ 19,870	₹ 808	₹ 161,644
Additions	107	3,569	14,362	1,958	9	20,005
Additions through Business combinations	—	—	27	57	—	84
Disposals	(58)	(765)	(4,532)	(1,218)	(398)	(6,971)
Translation adjustment	5	100	303	25	(1)	432
<b>As at March 31, 2021</b>	<b>₹ 3,815</b>	<b>₹ 39,414</b>	<b>₹ 110,855</b>	<b>₹ 20,692</b>	<b>₹ 418</b>	<b>₹ 175,194</b>
<b>Accumulated depreciation/ impairment:</b>						
<b>As at April 1, 2020</b>	₹ —	₹ 7,948	₹ 78,056	₹ 14,141	₹ 727	₹ 100,872
Depreciation and impairment (2)	—	1,500	11,123	1,845	61	14,529
Disposals	—	(695)	(4,313)	(908)	(391)	(6,307)
Translation adjustment	—	32	174	11	—	217
<b>As at March 31, 2021</b>	<b>₹ —</b>	<b>₹ 8,785</b>	<b>₹ 85,040</b>	<b>₹ 15,089</b>	<b>₹ 397</b>	<b>₹ 109,311</b>
Capital work-in-progress						₹ 19,309
<b>Net carrying value including Capital work-in-progress as at March 31, 2021</b>						<b>₹ 85,192</b>
<b>Gross carrying value:</b>						
<b>As at April 1, 2021</b>	₹ 3,815	₹ 39,414	₹ 110,855	₹ 20,692	₹ 418	₹ 175,194
Additions	1,031	1,676	19,411	2,384	7	24,509
Additions through Business combinations	—	—	370	335	3	708
Disposals	(30)	(440)	(7,863)	(826)	(115)	(9,274)
Translation adjustment	(3)	36	698	60	4	795
<b>As at March 31, 2022</b>	<b>₹ 4,813</b>	<b>₹ 40,686</b>	<b>₹ 123,471</b>	<b>₹ 22,645</b>	<b>₹ 317</b>	<b>₹ 191,932</b>
<b>Accumulated depreciation/ impairment:</b>						
<b>As at April 1, 2021</b>	₹ —	₹ 8,785	₹ 85,040	₹ 15,089	₹ 397	₹ 109,311
Depreciation and impairment (2)	—	1,536	12,305	2,141	10	15,992
Disposals	—	(346)	(7,451)	(725)	(112)	(8,634)
Translation adjustment	—	28	571	52	2	653
<b>As at March 31, 2022</b>	<b>₹ —</b>	<b>₹ 10,003</b>	<b>₹ 90,465</b>	<b>₹ 16,557</b>	<b>₹ 297</b>	<b>₹ 117,322</b>
Capital work-in-progress						₹ 16,288
<b>Net carrying value including Capital work-in-progress as at March 31, 2022</b>						<b>₹ 90,898</b>

- (1) Including net carrying value of computer equipment and software amounting to ₹ 18,508 and ₹ 25,162, as at March 31, 2021 and 2022, respectively.
- (2) Includes impairment charge on certain software platforms amounting to ₹ Nil, ₹ 285 and ₹ Nil for the year ended March 31, 2020, 2021 and 2022, respectively.

#### 5. Right-of-Use assets

	Category of Right-of-Use asset				Total
	Land	Buildings	Plant and equipment *	Vehicles	
<b>Gross carrying value:</b>					
<b>As at April 1, 2020</b>	₹ 2,003	₹ 15,624	₹ 4,236	₹ 826	₹ 22,689
Additions	79	5,323	770	162	6,334
Additions through Business combinations	—	352	—	84	436
Disposals	—	(2,503)	(1,103)	(154)	(3,760)
Translation adjustment	—	48	15	8	71
<b>As at March 31, 2021</b>	<b>₹ 2,082</b>	<b>₹ 18,844</b>	<b>₹ 3,918</b>	<b>₹ 926</b>	<b>₹ 25,770</b>
<b>Accumulated depreciation:</b>					
<b>As at April 1, 2020</b>	₹ 27	₹ 3,928	₹ 1,721	₹ 265	₹ 5,941
Depreciation	28	4,487	1,465	285	6,265
Disposals	—	(1,703)	(1,023)	(119)	(2,845)
Translation adjustment	—	(9)	(6)	4	(11)
<b>As at March 31, 2021</b>	<b>₹ 55</b>	<b>₹ 6,703</b>	<b>₹ 2,157</b>	<b>₹ 435</b>	<b>₹ 9,350</b>
<b>Net carrying value as at March 31, 2021</b>					<b>₹ 16,420</b>

<b>Gross carrying value:</b>					
<b>As at April 1, 2021</b>	₹2,082	₹18,844	₹ 3,918	₹ 926	₹25,770
Additions	15	7,517	429	105	8,066
Additions through Business combinations	—	2,920	—	36	2,956
Disposals	(819)	(3,360)	(1,861)	(149)	(6,189)
Translation adjustment	—	72	25	(14)	83
<b>As at March 31, 2022</b>	<b>₹1,278</b>	<b>₹25,993</b>	<b>₹ 2,511</b>	<b>₹ 904</b>	<b>₹30,686</b>
<b>Accumulated depreciation:</b>					
<b>As at April 1, 2021</b>	₹ 55	₹ 6,703	₹ 2,157	₹ 435	₹ 9,350
Depreciation	24	5,572	849	264	6,709
Disposals	(21)	(2,667)	(1,518)	(121)	(4,327)
Translation adjustment	—	68	24	(8)	84
<b>As at March 31, 2022</b>	<b>₹ 58</b>	<b>₹ 9,676</b>	<b>₹ 1,512</b>	<b>₹ 570</b>	<b>₹11,816</b>
<b>Net carrying value as at March 31, 2022</b>					<b>₹18,870</b>

\* Including net carrying value of computer equipment amounting to ₹ 8 and ₹ 6 as at March 31, 2021 and 2022, respectively.

The Company recognized the following expenses in the consolidated statement of income:

	Year ended March 31,		
	2020	2021	2022
Interest expenses on lease liabilities	₹ 914	₹ 798	₹ 894
Rent expense recognized under facility expenses pertaining to:			
Leases of low-value assets	44	53	150
Leases with less than twelve months of lease term	2,085	1,876	2,392
	<b>₹ 3,043</b>	<b>₹ 2,727</b>	<b>₹ 3,436</b>

Payments toward leases of low-value assets and leases with less than twelve months of lease term, are disclosed under operating activities in the consolidated statement of cash flows. All other lease payments during the period are disclosed under financing activities in the consolidated statement of cash flows.

Income from subleasing RoU assets is not material.

The Company is committed to certain leases amounting to ₹ 1,657 which have not commenced as of March 31, 2022. The term of such leases ranges from 3 to 7 years.

Refer to Note 19 for remaining contractual maturities of lease liabilities.

## 6. Goodwill and intangible assets

The movement in goodwill balance is given below:

	Year ended March 31,	
	2021	2022
Balance at the beginning of the year	₹131,012	₹139,127
Translation adjustment	(1,357)	5,293
Acquisition through business combinations* (Refer to Note 7)	9,472	102,569
<b>Balance at the end of the year</b>	<b>₹139,127</b>	<b>₹246,989</b>

\* Acquisition through business combinations for the year ended March 31, 2021 and 2022 is after considering the impact of ₹ (72) and ₹ 116 towards changes in the purchase price allocation of acquisitions made during the year ended March 31, 2020 and 2021, respectively.

The Company is organized by three operating segments: IT Services, IT Products and India State Run Enterprise Services. Goodwill as at March 31, 2021 and 2022 has been allocated to the IT Services operating segment.

Goodwill recognized on business combinations is allocated to Cash Generating Units (CGUs), within the IT Services operating segment, which are expected to benefit from the synergies of the acquisitions.

CGUs	Year ended March 31,	
	2021	2022
Americas 1	₹ 64,573	₹ 77,106
Americas 2	34,038	84,166
Europe	26,641	64,288



Asia Pacific Middle East Africa	13,875	21,429
	<u>₹ 139,127</u>	<u>₹ 246,989</u>

For 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 Company's operating segment. Goodwill is tested for impairment at least annually in accordance with the Company's procedure for determining the recoverable value of each CGU.

The recoverable amount of the CGU is determined based on FVLCD. The FVLCD of the CGU is determined based on the market capitalization approach, using the turnover and earnings multiples derived from observable market data. The fair value measurement is categorized as a level 2 fair value based on the inputs in the valuation techniques used.

Based on the above testing, no impairment was identified as at March 31, 2021 and 2022, as the recoverable value of the CGUs exceeded the carrying value. A sensitivity analysis to the change in the key parameters (turnover and earnings multiples) did not identify any probable scenarios where the CGU's recoverable amount would fall below its carrying amount.

The movement in intangible assets is given below:

	Intangible assets		
	Customer-related	Marketing-related	Total
<b>Gross carrying value:</b>			
<b>As at April 1, 2020</b>	₹ 32,490	₹ 6,698	₹ 39,188
Acquisition through business combinations (Refer to Note 7)	2,460	828	3,288
Deductions/adjustments	(8,568)	(5,756)	(14,324)
Translation adjustment	(56)	(159)	(215)
<b>As at March 31, 2021</b>	₹ 26,326	₹ 1,611	₹ 27,937
<b>Accumulated amortization/ impairment:</b>			
<b>As at April 1, 2020</b>	₹ 17,898	₹ 4,928	₹ 22,826
Amortization and impairment *	5,060	1,548	6,608
Deductions/adjustments	(8,568)	(5,756)	(14,324)
Translation adjustment	(142)	(116)	(258)
<b>As at March 31, 2021</b>	₹ 14,248	₹ 604	₹ 14,852
<b>Net carrying value as at March 31, 2021</b>	₹ 12,078	₹ 1,007	₹ 13,085
<b>Gross carrying value:</b>			
<b>As at April 1, 2021</b>	₹ 26,326	₹ 1,611	₹ 27,937
Acquisition through business combinations (Refer to Note 7)	27,834	9,814	37,648
Deductions/adjustments	(11,984)	(215)	(12,199)
Translation adjustment	1,190	218	1,408
<b>As at March 31, 2022</b>	₹ 43,366	₹ 11,428	₹ 54,794
<b>Accumulated amortization/ impairment:</b>			
<b>As at April 1, 2021</b>	₹ 14,248	₹ 604	₹ 14,852
Amortization and impairment *	6,872	1,338	8,210
Deductions/adjustments	(11,984)	(215)	(12,199)
Translation adjustment	347	29	376
<b>As at March 31, 2022</b>	₹ 9,483	₹ 1,756	₹ 11,239
<b>Net carrying value as at March 31, 2022</b>	₹ 33,883	₹ 9,672	₹ 43,555

\* During the year ended March 31, 2021, a change in business strategy of a customer led to a significant decline in the revenue and earnings estimates, resulting in revision of recoverable value of customer-relationship intangible assets recognized on business combination. Further, the Company integrated certain brands acquired as part of a business combination, resulting in discontinuance of the acquired brands. Consequently, the Company has recognized impairment charge ₹ 1,879 for the year ended March 31, 2021 as part of amortization and impairment.

\* During the year ended March 31, 2021, due to change in our estimate of useful life of customer-related intangibles in an earlier business combination, the Company has recognized additional amortization charge of ₹ 795.

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

As at March 31, 2022, the net carrying value and the estimated remaining amortization period for intangible assets acquired on acquisition are as follows:

<u>Acquisition</u>	<u>Net carrying value</u>	<u>Estimated remaining amortization period</u>
Capco - customer-related intangible	₹ 22,197	8.08 years
Capco - marketing-related intangible	7,477	9.08 years
Edgile, LLC	2,847	5.75 years
Ampion Holdings Pty Ltd	1,986	2.35 - 5.35 years
Vara Infotech Private Limited	1,596	4.5 - 7.5 years
Rational Interaction, Inc.	1,483	0.89 - 4.89 years
Eximius Design, LLC	1,313	1.9 - 5.4 years
4C NV	471	1.36 - 3.36 years
IVIA Serviços de Informática Ltda	332	3.37 years
International TechneGroup Incorporated	212	2.5 years
LeanSwift Solutions Inc.	148	0.75 - 2.25 years
Encore Theme Technologies Private Limited	117	1.7 - 3.71 years
Others	3,376	0.25 - 10.25 years
<b>Total</b>	<b>43,555</b>	

## 7. Business combination

### Summary of acquisitions during the year ended March 31, 2021 is given below:

During the year ended March 31, 2021, the Company has completed four business combinations (which individually are not material) for a total consideration (upfront cash payout to acquire control and contingent consideration) of ₹ 13,801. These include:

- ₹ 1,643 towards acquisition of IVIA Serviços de Informática Ltda. (“**IVIA**”) on August 14, 2020, a specialized IT services provider to financial services, retail and manufacturing sectors in Brazil.
- ₹ 5,268 towards acquisition of 4C NV and its subsidiaries (“**4C**”) on August 11, 2020, a Salesforce multi-cloud partner in Europe, U.K. and the Middle East
- ₹ 849 towards acquisition of Encore Theme Technologies Private Limited (“**ETT**”), a Finastra trade finance solutions partner across the Middle East, Africa, India and Asia Pacific on December 15, 2020, and
- ₹ 6,041 towards acquisition of Eximius Design, LLC and Eximius Design India Private Limited (“**Eximius**”) on February 25, 2021, a leading engineering services company with expertise in semiconductor, software and systems design.

The following table presents the purchase price allocation:

<u>Description</u>	<u>Purchase price allocated</u>
Net assets	₹ 1,285
Fair Value of Customer-related intangibles	2,460
Fair Value of Marketing-related intangibles	828
Deferred tax liabilities on intangible assets	(432)
<b>Total</b>	<b>₹ 4,141</b>
Goodwill	9,660
<b>Total purchase price</b>	<b>₹ 13,801</b>

The total consideration for IVIA includes a contingent consideration linked to achievement of revenues and earnings over a period of 3 years ending September 30, 2023, and range of contingent consideration payable is between ₹ Nil and ₹ 746. The fair value of the contingent consideration is estimated by applying the discounted cash-flow approach considering discount rate of 5.7% and probability adjusted revenue and earnings estimates. The undiscounted fair value of contingent consideration is ₹ 525 as of the date of acquisition. The fair value of discounted contingent consideration of ₹ 460 is recorded as part of purchase price allocation.

The total consideration for ETT includes a contingent consideration linked to achievement of revenues and earnings over a period of 18 months ending March 31, 2022, and range of contingent consideration payable is between ₹ Nil and ₹ 305. The fair value of the contingent consideration is estimated by applying the discounted cash-flow approach considering discount rate of 7.4% and probability adjusted revenue and earnings estimates. The undiscounted fair value of contingent consideration is ₹ 215 as of the date of acquisition. The fair value of discounted contingent consideration of ₹ 196 is recorded as part of purchase price allocation.

The total consideration for Eximius includes a contingent consideration linked to achievement of revenues and earnings over a period of 2 years ending March 31, 2023, and range of contingent consideration payable is between ₹ Nil and ₹ 1,738. The fair value of the contingent consideration is estimated



by applying the discounted cash-flow approach considering discount rate of 2.3% and probability adjusted revenue and earnings estimates. The undiscounted fair value of contingent consideration is ₹ 1,695 as of the date of acquisition. The fair value of discounted contingent consideration of ₹ 1,637 is recorded as part of purchase price allocation.

Net assets acquired include ₹ 1,026 of cash and cash equivalents and trade receivables valued at ₹ 1,159.

The goodwill of ₹ 9,660 comprises value of acquired workforce and expected synergies arising from the business combinations. Goodwill is allocated to IT Services segment and is not deductible for income tax purposes except for Eximius Design, LLC in the United States of America.

The transaction costs of ₹ 175 related to the above acquisitions have been included in general and administrative expenses in the consolidated statement of income.

The pro-forma effects of these business combinations on the Company's results were not material.

#### Summary of acquisitions during the year ended March 31, 2022 is given below:

During the year ended March 31, 2022, the Company has completed four business combinations by acquiring 100% equity interest in:

- Capco and its subsidiaries ("Capco")**, a global management and technology consultancy company providing digital, consulting and technology services to financial institutions in the Americas, Europe and Asia Pacific. This acquisition makes the Company one of the largest end-to-end global consulting, technology and transformation service providers to the banking and financial services industry. By combining our capabilities in strategic design, digital transformation, cloud, cybersecurity, IT and operations services with Capco's domain and consulting strength, our SMUs will be able to provide our clients the access to a partner who can deliver integrated, bespoke solutions to help fuel growth and achieve their transformation objectives. The acquisition was consummated on April 29, 2021 for total cash consideration of ₹ 109,530.
- Ampion Holdings Pty Ltd and its subsidiaries ("Ampion")**, an Australia-based provider of cyber security, DevOps and quality engineering services. This acquisition is an important step in the direction of our new operating model which emphasizes strategic investments in focus geographies, proximity to customers, agility, scale and localization. It reinstates the commitment towards clients and stakeholders in Australia and New Zealand, under our APMEA SMU. Further, Ampion's product and services combined with ours and powered by engineering transformation, DevOps and security consulting services will bring scale and market agility to respond to the growing demands of customers. The acquisition was consummated on August 6, 2021 for total cash consideration of ₹ 9,102.
- Edgile, LLC ("Edgile")**, a US-based transformational cybersecurity consulting provider that focuses on risk and compliance, information and cloud security, and digital identity. This acquisition helps address the fast-growing demand for transformational cybersecurity consulting among Global 2000 enterprises. Together, Wipro and Edgile will help enterprises enhance boardroom governance of cybersecurity risk, invest in robust cyber strategies, and reap the value of practical security in action. In collaboration with an extensive roster of alliance partners from Wipro and Edgile, we will enable organizations to accelerate their digital transformation and operate in virtual and digital supply chains. The acquisition was consummated on December 31, 2021 for total consideration (upfront cash payout to acquire control and contingent consideration) of ₹ 17,176.
- LeanSwift Solutions Inc. and its subsidiaries ("LeanSwift")**, a system integrator of Infor products for customers across the Americas and Europe. This acquisition aligns with our strategic investments in cloud transformation. The combined entity will provide Wipro an edge in key transformation deals, especially in the manufacturing and distribution sectors, by combining LeanSwift's expertise in the Infor CloudSuites with our broader cloud-native digital capabilities. The acquisition was consummated on December 31, 2021 for total cash consideration of ₹ 1,606.

The following table presents the purchase price allocation:

Description	Capco	Ampion	Edgile	LeanSwift
Net assets	₹ 4,667	₹ 1,235	₹ 1,306	₹ 199
Fair value of Customer-related intangibles	24,273	1,748	1,754	59
Fair value of Marketing-related intangibles	8,083	460	1,160	111
Deferred tax liabilities on intangible assets	(9,383)	(663)	—	(48)
<b>Total</b>	<b>₹ 27,640</b>	<b>₹ 2,780</b>	<b>₹ 4,220</b>	<b>₹ 321</b>
Goodwill	81,890	6,322	12,956	1,285
<b>Total purchase price</b>	<b>₹ 109,530</b>	<b>₹ 9,102</b>	<b>₹ 17,176</b>	<b>₹ 1,606</b>
<b>Net Assets include:</b>				
Cash and cash equivalents	₹ 4,278	₹ 855	₹ 907	₹ 139
Fair value of acquired trade receivables included in net assets	₹ 6,167	₹ 1,074	₹ 819	₹ 205
Gross contractual amount of acquired trade receivables	6,181	1,074	819	221
Less: Allowance for lifetime expected credit loss	(14)	—	—	(16)
Transaction costs included in general and administrative expenses	₹ 358	₹ 49	₹ 152	₹ 88

The purchase price allocation for Edgile and LeanSwift is provisional and will be finalized as soon as practicable within the measurement period, but in no event later than one year following the date of acquisition.

The acquisition of Capco contributed revenues of ₹ 66,616 and profit after taxes of ₹ 4,336 for the Company during the year ended March 31, 2022. The other acquisitions completed during the year ended March 31, 2022 contributed revenues of ₹ 6,114 and profit after taxes of ₹ 55.

If all the acquisitions during the year ended March 31, 2022, had been consummated on April 1, 2021, management estimates that consolidated revenues for the Company would have been ₹ 802,835 and the profit after taxes would have been ₹ 122,900 for the year ended March 31, 2022. The pro-forma amounts are not necessarily indicative of the actual or future results if the acquisition had been consummated on April 1, 2021.

The goodwill of ₹ 102,453 comprises value of acquired workforce and expected synergies arising from the business combination. Goodwill is allocated to IT Services segment and is not deductible for income tax purposes except for Edgile, LLC in the United States of America.

The total consideration of Edgile includes a contingent consideration linked to achievement of revenues and earnings over a period of 2 years ending December 31, 2023, and range of contingent consideration payable is between ₹ Nil and ₹ 2,230. The fair value of the contingent consideration is estimated by applying the discounted cash-flow approach considering discount rate of 2.9% and probability adjusted revenue and earnings estimates. The undiscounted fair value of contingent consideration is ₹ 1,531 as at the date of acquisition. The discounted fair value of contingent consideration of ₹ 1,462 is recorded as part of provisional purchase price allocation.

#### Summary of acquisitions consummated after March 31, 2022

- (a) **Convergence Acceleration Solutions, LLC (“CAS Group”)** is a US-based consulting and program management company that specializes in driving large-scale business and technology transformation for Fortune 100 communications service providers. The acquisition advances the Company’s strategic consulting capabilities as we help our clients drive large scale business and technology transformation. The acquisition was consummated on April 11, 2022 for total consideration (upfront cash to acquire control and contingent consideration) of ₹ 5,584.

The total consideration for the acquisition of CAS Group includes a contingent consideration linked to achievement of revenues and earnings over a period of 3 years ending December 31, 2024, and range of contingent consideration payable is between ₹ Nil and ₹ 2,277. The fair value of the contingent consideration is estimated by applying the discounted cash-flow approach considering discount rate of 4.58% and probability adjusted revenue and earnings estimates. The undiscounted fair value of contingent consideration is ₹ 1,804 as at the date of acquisition. The discounted fair value of contingent consideration of ₹ 1,662 is recorded as part of provisional purchase price allocation.

The following table presents the provisional purchase price allocation:

<u>Description</u>	<u>CAS Group</u>
Net assets	₹ 554
Fair value of Customer-related intangibles	1,614
<b>Total</b>	<b>₹ 2,168</b>
Goodwill	3,416
<b>Total purchase price</b>	<b>₹ 5,584</b>

Net assets acquired include ₹ 127 of cash and cash equivalents and trade receivables valued at ₹ 453.

The goodwill of ₹ 3,416 comprises value of acquired workforce and expected synergies arising from the business combination. Goodwill is allocated to IT Services segment and is deductible for income tax purposes in the United States of America.

- (b) **Rizing Intermediate Holdings, Inc and its subsidiaries (“Rizing”)**—On May 20, 2022, the Company acquired 100% equity interests in Rizing, a global SAP consulting firm with industry expertise and consulting capabilities in enterprise asset management, consumer industries, and human experience management for a total cash consideration of ₹ 44,622. Rizing complements the Company in capabilities (EAM, HCM and S/4HANA), in industries such as Energy and Utilities, Retail and Consumer Products, Manufacturing and Hi Tech in geographies across North America, Europe, Asia, and Australia.

The initial accounting is incomplete at the time these consolidated financial statements are authorized for issue and the fair value remeasurement of the assets (including trade receivables) and liabilities, and the provisional purchase price allocation pursuant to IFRS 3 are being assessed by an independent expert and are still on-going.

## 8. Investments

	As at March 31,	
	2021	2022
<b>Non-current</b>		
<b>Financial instruments at FVTPL</b>		
Equity instruments	₹ —	₹ 1,976
Fixed maturity plan mutual funds	—	513
<b>Financial instruments at FVTOCI</b>		
Equity instruments	10,572	14,963
<b>Financial instruments at amortized cost</b>		
Inter corporate and term deposits *	4	1,657
	<b>₹ 10,576</b>	<b>₹ 19,109</b>
<b>Current</b>		
<b>Financial instruments at FVTPL</b>		
Short-term mutual funds	₹ 23,502	₹ 15,550
<b>Financial instruments at FVTOCI</b>		
Non-convertible debentures, government securities, commercial papers, certificate of deposit and bonds	131,382	204,839
<b>Financial instruments at amortized cost</b>		
Inter corporate and term deposits*	20,823	21,266
	<b>₹ 175,707</b>	<b>₹ 241,655</b>
<b>Total</b>	<b>₹ 186,283</b>	<b>₹ 260,764</b>

\* These deposits earn a fixed rate of interest. Term deposits include non-current and current deposits in lien with banks primarily on account of term deposits held as margin money deposits against guarantees amounting to ₹ Nil and ₹ 654, respectively (March 31, 2021: Term deposits non-current of ₹ 4 and Term deposits current of ₹ 615).

### Investments accounted for using the equity method

The Company has no material associates as at March 31, 2021 and 2022.

During the year ended March 31, 2022, as a result of acquisition by another investor, the Company sold its investment in Denim Group, Ltd. and Denim Group Management, LLC (“**Denim Group**”), accounted for using the equity method. Refer to Note 26 for additional information.

The aggregate summarized financial information in respect of the Company’s immaterial associates that are accounted for using the equity method is set forth below:

	As at March 31,		
	2020	2021	2022
Carrying amount of the Company’s interest in associates accounted for using the equity method	₹ 1,383	₹ 1,464	₹ 774

  

	For the year ended March 31,		
	2020	2021	2022
Company’s share of net profit / (loss) of associates accounted for using the equity method in consolidated statement of income	₹ 29	₹ 130	₹ 57

## Details of investments in equity instruments- classified as FVTOCI

Particulars	Carrying value As at March 31,	
	2021	2022
<b>Non-current</b>		
Tricentis Corporation	₹ 674	₹ 2,698
YugaByte, Inc.	494	1,993
TLV Partners, L.P.	804	1,209
Vectra Networks, Inc	562	1,064
CyCognito Ltd.	216	977
TLV Partners II, L.P.	295	774
Immuta, Inc.	714	740
Incorta, Inc.	512	712
Harte Hanks Inc.	319	575
B Capital Fund II, L.P.	220	493
Work-Bench Ventures II-A, LP	170	413
Tradecraft Inc.	367	379
Boldstart Ventures IV, L.P.	156	379
Vicarious FPC, Inc.	309	321
Boldstart Opportunities II, L.P.	79	296
Glilot Capital Partners III L.P.	87	289
TLV Partners III, L.P.	73	288
Avaamo Inc.	252	261
Vulcan Cyber Ltd.	219	227
Sealights Technologies Ltd.	146	182
Netspring Data, Inc.	—	152
Headspin Inc.	140	145
Moogsoft (Herd) Inc.	179	133
Squadcast, Inc.	—	91
Wep Peripherals Ltd.	60	60
Wep Solutions Limited	26	41
Work-Bench Ventures III-A, LP	11	33
Altizon Systems Private Limited	38	19
Drivestream India Private Limited	19	19
CloudKnox Security Inc.	146	—
IntSights Cyber Intelligence Limited	620	—
Ensono Holdings, LLC	2,665	—
<b>Total</b>	<b>₹ 10,572</b>	<b>₹ 14,963</b>

## Details of investments in equity instruments- classified as FVTPL

Particulars	Carrying value As at March 31,	
	2021	2022
<b>Non-current</b>		
Lilt, Inc.	₹ —	₹ 378
YugaByte, Inc.	—	357
CyCognito Ltd.	—	227
Nexus Ventures VI, L.P.	—	189
Functionize, Inc.	—	152
vFunction Inc.	—	152
SYN Ventures Fund LP	—	118
Sealights Technologies Ltd.	—	114
Incorta, Inc.	—	90
TLV Partners IV, L.P.	—	60
Boldstart Opportunities III, L.P.	—	55
Sorenson Ventures, L.P.	—	42
Glilot Capital Partners IV, L.P	—	32
Altizon Systems Private Limited	—	10
<b>Total</b>	<b>₹ —</b>	<b>₹ 1,976</b>



## 9. Trade receivables

	As at March 31,	
	2021	2022
Trade receivables	₹ 109,733	₹ 130,283
Allowance for lifetime expected credit loss	(11,077)	(10,299)
	<b>₹ 98,656</b>	<b>₹ 119,984</b>
Non-current	4,358	4,765
Current	94,298	115,219

The activity in the allowance for lifetime expected credit loss is given below:

	As at March 31,	
	2021	2022
Balance at the beginning of the year	₹ 13,937	₹ 11,077
Additions / (write-back), net (Refer to Note 25)	1,506	(797)
Charged against allowance	(4,381)	(76)
Translation adjustment	15	95
<b>Balance at the end of the year</b>	<b>₹ 11,077</b>	<b>₹ 10,299</b>

## 10. Inventories

	As at March 31,	
	2021	2022
Stores and spare parts	₹ 127	₹ 28
Finished and traded goods	937	1,306
	<b>₹ 1,064</b>	<b>₹ 1,334</b>

## 11. Cash and cash equivalents

	As at March 31,		
	2020	2021	2022
Cash and bank balances	₹ 34,087	₹ 68,842	₹ 61,882
Demand deposits with banks *	110,412	100,951	41,954
	<b>₹ 144,499</b>	<b>₹ 169,793</b>	<b>₹ 103,836</b>

\* These deposits can be withdrawn by the Company at any time without prior notice and without any penalty on the principal.

Cash and cash equivalents consist of the following for the purpose of the statement of cash flows:

	As at March 31,		
	2020	2021	2022
Cash and cash equivalents (as above)	₹ 144,499	₹ 169,793	₹ 103,836
Bank overdrafts	(395)	(130)	(3)
	<b>₹ 144,104</b>	<b>₹ 169,663</b>	<b>₹ 103,833</b>

## 12. Other financial assets

	As at March 31,	
	2021	2022
<b>Non-current</b>		
Security deposits	₹ 1,477	₹ 1,396
Interest receivables	1,139	—
Finance lease receivables	3,144	4,262
Others	328	426
	<b>₹ 6,088</b>	<b>₹ 6,084</b>
<b>Current</b>		
Security deposits	₹ 1,149	₹ 1,513
Dues from officers and employees	411	1,301
Interest receivables	1,628	1,835
Finance lease receivables	3,438	5,065
Deposit in interim dividend account	—	27,410

Others	619	5,790
	<u>₹ 7,245</u>	<u>₹ 42,914</u>
	<u>₹ 13,333</u>	<u>₹ 48,998</u>

## Finance lease receivables

Finance lease receivables consist of assets that are leased to customers for a contract term normally ranging 1 to 5 years, with lease payments due in monthly or quarterly installments. Details of finance lease receivables are given below:

	Minimum lease payments		Present value of minimum lease payments	
	As at March 31,			
	2021	2022	2021	2022
Not later than one year	₹ 3,636	₹ 5,223	₹ 3,438	₹ 5,065
Later than one year but not later than five years	3,264	4,504	3,144	4,262
Gross investment in lease	6,900	9,727	6,582	9,327
Less: Unearned finance income	(318)	(400)	—	—
Present value of minimum lease payment receivables	₹ 6,582	₹ 9,327	₹ 6,582	₹ 9,327
Non-current			3,144	4,262
Current			3,438	5,065

## 13. Other assets

	As at March 31,	
	2021	2022
<b>Non-current</b>		
Prepaid expenses	₹ 3,417	₹ 7,079
Costs to obtain contract *	3,413	3,128
Costs to fulfil contract **	337	295
Others (Refer to Note 35)	8,768	4,324
	<b>₹ 15,935</b>	<b>₹ 14,826</b>
<b>Current</b>		
Prepaid expenses	₹ 12,121	₹ 15,839
Dues from officers and employees	105	251
Advance to suppliers	3,199	3,179
Balance with GST and other authorities	7,903	7,566
Costs to obtain contract *	759	820
Costs to fulfil contract **	53	55
Others	783	1,223
	<b>₹ 24,923</b>	<b>₹ 28,933</b>
	<b>₹ 40,858</b>	<b>₹ 43,759</b>

\* Costs to obtain contract amortization of ₹ 1,237, ₹ 1,257 and ₹ 902 during the year ended March 31, 2020, 2021 and 2022 respectively.

\*\* Costs to fulfil contract amortization of ₹ Nil, ₹ Nil and ₹ 54 during the year ended March 31, 2020, 2021 and 2022 respectively.

## 14. Loans, borrowings and bank overdrafts

	As at March 31,	
	2021	2022
<b>Non-current</b>		
Unsecured Notes 2026 *	₹ —	₹ 56,403
Borrowings from banks	7,310	—
Loans from institutions other than banks	148	60
	<b>₹ 7,458</b>	<b>₹ 56,463</b>
<b>Current</b>		
Bank overdrafts	₹ 130	₹ 3
Borrowings from Banks	75,585	95,143
Loans from institutions other than banks	159	87
	<b>₹ 75,874</b>	<b>₹ 95,233</b>
	<b>₹ 83,332</b>	<b>₹ 151,696</b>

- \* On June 23, 2021, Wipro IT Services LLC, a wholly owned step-down subsidiary of Wipro Limited, issued US\$ 750 million in unsecured notes 2026 (the “Notes”). The Notes bear interest at a rate of 1.50% per annum and will mature on June 23, 2026. The Notes were issued at the discounted price of 99.636% against par value and have an effective interest rate of 1.6939% after considering the issue expenses and discount of ₹ 501 (US\$ 6.7 million). Interest on the Notes is payable semi-annually on June 23 and December 23 of each year, commencing from December 23, 2021. The Notes are listed on Singapore Exchange Securities Trading Limited (SGX-ST).

**Short-term loans, borrowings and bank overdrafts**

The Company had loans, borrowings and bank overdrafts amounting to ₹ 60,363 and ₹ 95,146, as at March 31, 2021 and 2022, respectively. The principal source of borrowings from banks as at March 31, 2022 primarily consists of lines of credit of approximately ₹ 86,873, U.S. Dollar

(US\$) 713 million, Canadian Dollar (CAD) 10 million, Saudi Riyal (SAR) 140 million, Euro (EUR) 18 million, Pound Sterling (GBP) 7 million, Bahraini Dinar (BHD) 1 million, Australian Dollar (AUD \$) 90 million, UAE Dirham (AED) 3 million, Thai Baht (THB) 5 million and Indonesian Rupiah (IDR) 290 million from bankers for working capital requirements and other short-term needs.

As at March 31, 2022, the Company has unutilized lines of credit aggregating ₹ 10,223, US\$ 563 million, CAD 10 million, SAR 40 million, EUR 18 million, GBP 7 million, BHD 1 million, AED 3 million, THB 5 million and IDR 290 million. 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 country specific official benchmark interest rates and a spread, determined based on market conditions.

### Long-term loans and borrowings

Currency	As at March 31, 2021		As at March 31, 2022		
	Foreign currency in millions	Indian Rupee	Foreign currency in millions	Indian Rupee	Final maturity
Unsecured Notes 2026					
U.S. Dollar (US\$)	—	—	744	56,403	June-26
Unsecured loans					
U.S. Dollar (US\$)	310	22,671	—	—	
Canadian Dollar (CAD)	^	10	—	—	
Indian Rupee (INR)	—	240	—	141	March-24
Australian Dollar (AUD)	^	26	—	—	
Pound Sterling (GBP)	^	12	—	—	
Euro (EUR)	^	10	^	6	April-23
		₹ 22,969		₹ 56,550	
Non-current portion of long-term loans and borrowings		7,458		56,463	
Current portion of long-term loans and borrowings		15,511		87	

^ Value is less than 1

Interest expense on loans, borrowings and bank overdrafts was ₹3,166, ₹1,897, and ₹3,261 for the year ended March 31, 2020, 2021 and 2022, respectively.

Cash and non-cash changes in liabilities arising from financing activities:

	April 1, 2020	Cash flow	Issue expenses on Notes	Non-cash changes		Foreign exchange movements	March 31, 2021
				Net additions to Lease Liabilities	Effective interest rate adjustment		
Borrowings	₹ 77,647	₹ 6,212	₹ —	₹ —	₹ —	₹ (657)	₹ 83,202
Bank overdrafts	395	(265)	—	—	—	—	130
Lease Liabilities	19,198	(8,660)	—	10,404	—	240	21,182
	₹ 97,240	₹ (2,713)	₹ —	₹ 10,404	₹ —	₹ (417)	₹ 104,514

  

	April 1, 2021	Cash flow	Issue expenses on Notes	Non-cash changes		Foreign exchange movements	March 31, 2022
				Net additions to Lease Liabilities	Effective interest rate adjustment		
Borrowings	₹ 83,202	₹ 68,310	₹ (298)	₹ —	₹ 77	₹ 402	₹ 151,693
Bank overdrafts	130	(127)	—	—	—	—	3
Lease Liabilities	21,182	(9,730)	—	12,532	—	249	24,233
	₹ 104,514	₹ 58,453	₹ (298)	₹ 12,532	₹ 77	₹ 651	₹ 175,929

## Non-fund based

The Company has non-fund based revolving credit facilities in various currencies equivalent to ₹ 56,421 and ₹ 48,369, as at March 31, 2021 and 2022, respectively, towards operational requirements that can be used for the issuance of letters of credit and bank guarantees. As at March 31, 2021, and 2022, an amount of ₹ 39,293, and ₹ 31,276, respectively, was unutilized out of these non-fund based facilities.

### 15. Trade payables and accrued expenses

	As at March 31,	
	2021	2022
Trade payables	₹ 23,232	₹ 28,683
Accrued expenses	53,280	70,351
	<u>₹ 76,512</u>	<u>₹ 99,034</u>

### 16. Other financial liabilities

	As at March 31,	
	2021	2022
<b>Non-current</b>		
Contingent consideration (Refer to Note 19)	2,158	2,423
Advance from customers	123	—
Cash Settled ADS RSUs	₹ 7	₹ 2
Deposits and others	3	536
	<u>₹ 2,291</u>	<u>₹ 2,961</u>
<b>Current</b>		
Contingent consideration (Refer to Note 19)	135	1,906
Advance from customers	496	1,582
Cash Settled ADS RSUs	₹ 24	₹ 18
Interim dividend payable	—	27,337
Deposits and others	815	2,267
	<u>₹ 1,470</u>	<u>₹ 33,110</u>
	<u>₹ 3,761</u>	<u>₹ 36,071</u>

### 17. Other liabilities

	As at March 31,	
	2021	2022
<b>Non-current</b>		
Employee benefits obligations	₹ 3,055	₹ 2,720
Others	4,780	4,851
	<u>₹ 7,835</u>	<u>₹ 7,571</u>
<b>Current</b>		
Statutory and other liabilities	₹ 9,266	₹ 10,933
Employee benefits obligations	14,401	15,310
Advance from customers	362	629
Others	523	522
	<u>₹ 24,552</u>	<u>₹ 27,394</u>
	<u>₹ 32,387</u>	<u>₹ 34,965</u>

### 18. Provisions

	As at March 31,	
	2021	2022
<b>Non-current</b>		
Provision for warranty	₹ 2	₹ 1
	<u>₹ 2</u>	<u>₹ 1</u>
<b>Current</b>		
Provision for warranty	₹ 213	₹ 294
Provision for onerous contracts*	2,358	1,946
Others	463	531
	<u>₹ 3,034</u>	<u>₹ 2,771</u>
	<u>₹ 3,036</u>	<u>₹ 2,772</u>

- \* For the year ended March 31, 2021, provision for onerous contracts was included under Trade payables and accrued expenses in the statement of financial position and has been reclassified under Provisions.

A summary of activity in provision for warranty, provision for onerous contracts and other provisions is as follows:

	Year ended March 31, 2021				Year ended March 31, 2022			
	Provision for warranty	Provision for onerous contracts	Others	Total	Provision for warranty	Provision for onerous contracts	Others	Total
Balance at the beginning of the year	₹ 319	₹ 1,841	₹ 295	₹ 2,455	₹ 215	₹ 2,358	₹ 463	₹ 3,036
Additional provision during the year	245	1,122	270	1,637	307	1,080	191	1,578
Utilized/written-back during the year	(349)	(605)	(102)	(1,056)	(227)	(1,492)	(123)	(1,842)
Balance at the end of the year	₹ 215	₹ 2,358	₹ 463	₹ 3,036	₹ 295	₹ 1,946	₹ 531	₹ 2,772

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.

Provision for onerous contracts is recognized when the expected benefit by the company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

Other provisions primarily include provisions for compliance related contingencies. The timing of cash outflows in respect of such provision cannot be reasonably determined.

## 19. Financial instruments

	As at March 31,	
	2021	2022
<b>Financial Assets:</b>		
Cash and cash equivalents	₹ 169,793	₹ 103,836
Investments		
Financial instruments at FVTPL	23,502	18,039
Financial instruments at FVTOCI	141,954	219,802
Financial instruments at Amortized cost	20,827	22,923
Other financial assets		
Trade receivables	98,656	119,984
Unbilled receivables	27,124	60,809
Other assets	13,333	48,998
Derivative assets	4,080	3,038
	<b>₹ 499,269</b>	<b>₹ 597,429</b>
<b>Financial Liabilities:</b>		
Trade payables and other liabilities		
Trade payables and accrued expenses	₹ 76,512	₹ 99,034
Lease liabilities	21,182	24,233
Other liabilities	3,761	36,071
Loans, borrowings and bank overdrafts	83,332	151,696
Derivative liabilities	1,070	633
	<b>₹ 185,857</b>	<b>₹ 311,667</b>

## Offsetting financial assets and liabilities

The following table contains information on other financial assets and trade payable and other liabilities subject to offsetting:

	Financial assets		
	Gross amounts of recognized other financial assets	Gross amounts of recognized financial liabilities set off in the statement of financial position	Net amounts of recognized other financial assets presented in the statement of financial position
As at March 31, 2021	₹ 146,709	₹ (7,596)	₹ 139,113
As at March 31, 2022	₹ 239,897	₹ (10,106)	₹ 229,791





Derivative instruments:												
Cash flow hedges	₹	(816)	₹	—	₹	(816)	₹	—	₹	(299)	₹	—
Others		(254)		—		(254)		—		(334)		—
Contingent consideration		(2,293)		—		—		(2,293)		(4,329)		—

The following methods and assumptions were used to estimate the fair value of the level 2 financial instruments included in the above table.

**Derivative instruments (assets and liabilities):** The Company enters derivative financial instruments with various counterparties, primarily banks with investment grade credit ratings. Derivatives valued using valuation techniques with market observable inputs are mainly interest rate swaps, foreign exchange forward contracts and foreign exchange option contracts. The most frequently applied valuation techniques include forward pricing, swap models and Black Scholes models (for option valuation), using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, interest rate curves and forward rate curves of the underlying. As at March 31, 2022, the changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognized at fair value.

**Investment in non-convertible debentures, government securities, commercial papers, certificate of deposits and bonds:** Fair value of these instruments is derived based on the indicative quotes of price and yields prevailing in the market as at reporting date.

**Investment in equity instruments and fixed maturity plan mutual funds:** Fair value of these instruments is derived based on the indicative quotes of price prevailing in the market as at reporting date.

The following methods and assumptions were used to estimate the fair value of the level 3 financial instruments included in the above table.

**Investment in equity instruments:** Fair value of these instruments is determined using market multiples method.

#### Details of assets and liabilities considered under Level 3 classification

<u>Investment in equity instruments</u>	<u>As at March 31,</u>	
	<u>2021</u>	<u>2022</u>
<b>Balance at the beginning of the year</b>	₹ 9,178	₹ 10,227
Additions	1,575	3,973
Disposals	(1,256)	(7,697)
Transfers out of level 3	(27)	—
Unrealized gain recognized in statement of income (Refer to Note 28)	—	40
Gain recognized in other comprehensive income	1,009	9,423
Translation adjustment	(252)	358
<b>Balance at the end of the year</b>	<b>₹ 10,227</b>	<b>₹ 16,324</b>

  

<u>Contingent consideration</u>	<u>As at March 31,</u>	
	<u>2021</u>	<u>2022</u>
<b>Balance at the beginning of the year</b>	₹ —	₹ (2,293)
Additions	(2,293)	(2,533)
Reversals	—	468
Payouts	—	309
Finance expense recognized in statement of income	(25)	(117)
Translation adjustment	25	(163)
<b>Balance at the end of the year</b>	<b>₹ (2,293)</b>	<b>₹ (4,329)</b>

During the year ended March 31, 2021, as a result of acquisition by another investor, the Company sold its shares in CloudGenix and Emailage Corp at a fair value of ₹ 1,256 and recognized a cumulative gain of ₹ 884 in other comprehensive income.

During the year ended March 31, 2022, as a result of acquisition by another investor, the Company sold its shares in Ensono Holdings, LLC, Cloudknox Security Inc. and IntSights Cyber Intelligence Limited at a fair value of ₹ 7,573 and recognized a cumulative gain of ₹ 2,848 in other comprehensive income.

## Derivative 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 parties in these derivative instruments are primarily banks 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:

	(in million)					
	As at March 31,					
	2021		2022			
	Notional	Fair value	Notional	Fair value		
<b>Designated derivative instruments</b>						
Sell: Forward contracts	USD 1,577	₹ 2,293	USD 1,413	₹ 509		
	€ 109	₹ 114	€ 191	₹ 668		
	£ 96	₹ (254)	£ 173	₹ 645		
	AUD 103	₹ (246)	AUD 170	₹ (217)		
Range forward option contracts	USD 138	₹ 385	USD 493	₹ 217		
	€ 20	₹ 24	€ 6	₹ 8		
	£ 55	₹ (116)	£ 28	₹ 119		
	AUD 34	₹ (18)	AUD 11	₹ (6)		
<b>Non-designated derivative instruments</b>						
Sell: Forward contracts *	USD 1,638	₹ 480	USD 1,452	₹ 536		
	€ 99	₹ 202	€ 109	₹ 1		
	£ 104	₹ 98	£ 91	₹ 81		
	AUD 29	₹ 11	AUD 47	₹ (122)		
	SGD 9	₹ 5	SGD 4	₹ (1)		
	ZAR 22	₹ (1)	ZAR 8	₹ ^		
	CAD 30	₹ 3	CAD 47	₹ (25)		
	SAR 137	₹ (1)	SAR 33	₹ (1)		
	PLN 8	₹ 2	PLN 14	₹ (2)		
	CHF 10	₹ 13	CHF 5	₹ (5)		
	QAR 15	₹ (6)	QAR 11	₹ (4)		
	TRY 47	₹ 42	TRY 30	₹ 6		
	NOK 4	₹ ^	NOK 13	₹ (3)		
	OMR 2	₹ (1)	OMR 2	₹ ^		
	SEK 42	₹ 10	SEK 17	₹ (2)		
	JPY 370	₹ 6	JPY 513	₹ 20		
	DKK —	₹ —	DKK 2	₹ ^		
Buy: Forward contracts	SEK 37	₹ (15)	SEK 22	₹ 2		
	DKK 45	₹ (12)	DKK 16	₹ (2)		
	CHF 2	₹ (6)	CHF 2	₹ (1)		
	RMB 30	₹ (2)	RMB —	₹ —		
	AED 9	₹ ^	AED 26	₹ ^		
	JPY —	₹ —	JPY 447	₹ (18)		
	CNH —	₹ —	CNH 11	₹ ^		
	NOK —	₹ —	NOK 12	₹ (1)		
Interest Rate Swaps	INR —	₹ —	INR 4,750	₹ 3		
		<b>₹ 3,010</b>		<b>₹ 2,405</b>		

\* USD 1,638 and USD 1,452 includes USD/PHP sell forward of USD 244 and USD 86 as at March 31, 2021 and 2022, respectively.

^ Value is less than ₹ 1

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

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,	
	2021	2022
<b>Balance as at the beginning of the year</b>	<b>₹ (2,876)</b>	<b>₹ 2,182</b>
Changes in fair value of effective portion of derivatives	4,753	3,943
Net (gain)/loss reclassified to consolidated statement of income on occurrence of hedged transactions *	305	(4,182)
Gain/(loss) on cash flow hedging derivatives, net	₹ 5,058	₹ (239)
<b>Balance as at the end of the year</b>	<b>2,182</b>	<b>1,943</b>
Deferred tax thereon	(452)	(466)
<b>Balance as at the end of the year, net of deferred tax</b>	<b>₹ 1,730</b>	<b>₹ 1,477</b>

\* Includes net (gain)/loss reclassified to revenue of ₹ 58 and ₹ (4,979) for the year ended March 31, 2021 and 2022, respectively and net (gain)/loss reclassified to cost of revenues of ₹ 247 and ₹ 797 for the year ended March 31, 2021 and 2022, respectively.

The related hedge transactions for balance in cash flow hedging reserves as at March 31, 2022 are expected to occur and be reclassified to the consolidated statement of income over a period of one year.

As at March 31, 2021 and 2022 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, unbilled receivables, net investment in finance lease receivables (financial 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. The incremental impact of such transactions on our cash flow and liquidity for the year ended March 31, 2020, 2021 and 2022 is not material.

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. These are reflected as part of loans and borrowings in the consolidated statement of financial position.

### Financial risk management

#### Market Risk

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 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 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.

#### Foreign currency risk

The Company operates internationally, and a major portion of its business is transacted in several currencies. Consequently, the Company is exposed to foreign exchange risk through receiving payment for sales and services in the United States of America and elsewhere and making 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 the Company's revenue is in the U.S. Dollar, the Pound Sterling, the Euro, the Canadian Dollar and the Australian Dollar, while a large portion of costs are in Indian rupees. The exchange rate between the rupee and these currencies 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 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 hedges to mitigate the foreign exchange exposure of forecasted highly probable cash flows. The Company also designates foreign currency borrowings as hedge against respective net investments in foreign operations.

As at March 31, 2022, a ₹ 1 increase in the spot exchange rate of the Indian rupee with the U.S. dollar would result in approximately ₹ 3,159 (consolidated statement of income ₹ 1,366 and other comprehensive income ₹ 1,793) decrease in the fair value, and a ₹ 1 decrease would result in approximately ₹ 3,165 (consolidated statement of income ₹ 1,366 and other comprehensive income ₹ 1,799) increase in the fair value of foreign currency dollar denominated derivative instruments (forward and option contracts).

The below table presents foreign currency risk from non-derivative financial instruments as at March 31, 2021 and 2022:

	As at March 31, 2021						
	US \$	Euro	Pound Sterling	Australian Dollar	Canadian Dollar	Other currencies #	Total
Trade receivables	₹ 33,421	₹ 9,094	₹ 9,334	₹ 4,101	₹ 1,436	₹ 4,196	₹ 61,582
Unbilled receivables	9,255	1,681	1,740	803	283	821	14,583
Contract assets	5,111	1,121	2,755	838	102	536	10,463
Cash and cash equivalents	11,838	1,385	2,052	765	1,876	2,728	20,644
Other assets	73,212	3,981	9,116	2	891	3,479	90,681
Lease Liabilities	(3,800)	(2,684)	(1,575)	(202)	(117)	(1,548)	(9,926)
Trade payables, accrued expenses and other liabilities	(23,187)	(3,569)	(4,370)	(1,415)	(350)	(2,622)	(35,513)
<b>Net assets/ (liabilities)</b>	<b>₹ 105,850</b>	<b>₹ 11,009</b>	<b>₹ 19,052</b>	<b>₹ 4,892</b>	<b>₹ 4,121</b>	<b>₹ 7,590</b>	<b>₹ 152,514</b>

  

	As at March 31, 2022						
	US \$	Euro	Pound Sterling	Australian Dollar	Canadian Dollar	Other currencies #	Total
Trade receivables	₹ 34,969	₹ 9,429	₹ 10,016	₹ 4,455	₹ 1,711	₹ 4,078	₹ 64,658
Unbilled receivables	22,003	3,928	3,522	2,159	872	2,335	34,819
Contract assets	4,239	3,417	3,968	1,194	168	957	13,943
Cash and cash equivalents	13,603	2,808	966	537	1,936	2,649	22,499
Other assets	44,559	3,980	354	519	626	1,319	51,357
Lease Liabilities	(3,813)	(3,449)	(958)	(189)	(83)	(1,420)	(9,912)
Trade payables, accrued expenses and other liabilities	(28,907)	(9,087)	(9,784)	(1,725)	(663)	(6,193)	(56,359)
<b>Net assets/ (liabilities)</b>	<b>₹ 86,653</b>	<b>₹ 11,026</b>	<b>₹ 8,084</b>	<b>₹ 6,950</b>	<b>₹ 4,567</b>	<b>₹ 3,725</b>	<b>₹ 121,005</b>

# Other currencies reflect currencies such as Swiss Franc, Singapore Dollar, UAE Dirhams etc.

As at March 31, 2021 and 2022, respectively, every 1% increase/decrease in the respective foreign currencies compared to functional currency of the Company would impact results by approximately ₹ 1,525 and ₹ 1,210, respectively.

#### 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. From time to time, the Company manages its net exposure to interest rate risk relating to borrowings by entering into interest rate swap agreements, which allows it to exchange periodic payments based on a notional amount and agreed upon fixed and floating interest rates. Certain borrowings are also transacted at fixed interest rates. If interest rates were to increase by 100 bps as on March 31, 2022, additional net annual interest expense on floating rate borrowing would amount to approximately ₹ 951.

#### 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 credit rating and financial reliability of customers, considering the financial condition, current economic trends, forward looking macroeconomic information, 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, 2021 and 2022, or revenues for the year ended March 31, 2020, 2021 and 2022. 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 in India based on Indian rating agencies. 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.

## 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 and 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 based on the expected cash flows. As at March 31, 2022, cash and cash equivalents are held with major banks and financial institutions.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date. The amounts include estimated interest payments and exclude the impact of netting agreements, if any.

	As at March 31, 2021					Total
	Carrying value	Less than 1 year	1-2 years	2-4 years	Beyond 4 years	
Loans, borrowings and bank overdrafts *	₹ 83,332	₹ 77,609	₹ 166	₹ 7,441	₹ —	₹ 85,216
Lease Liabilities *	21,182	8,398	6,317	6,017	2,091	22,823
Trade payables and accrued expenses	76,512	76,512	—	—	—	76,512
Derivative liabilities	1,070	1,070	—	—	—	1,070
Other liabilities #	3,761	1,473	1,330	1,077	—	3,880

  

	As at March 31, 2022					Total
	Carrying value	Less than 1 year	1-2 years	2-4 years	Beyond 4 years	
Loans, borrowings and bank overdrafts *	₹ 151,696	₹ 97,693	₹ 912	₹ 1,706	₹ 57,261	₹ 157,572
Lease Liabilities *	24,233	9,872	6,947	6,913	2,344	26,076
Trade payables and accrued expenses	99,034	99,034	—	—	—	99,034
Derivative liabilities	633	585	10	38	—	633
Other liabilities #	36,071	33,126	2,833	220	—	36,179

\* Includes future cash outflow towards estimated interest on borrowings and lease liabilities.

# Includes future cash outflow towards estimated interest on contingent consideration

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

	As at March 31,	
	2021	2022
Cash and cash equivalents	₹ 169,793	₹ 103,836
Investments—Current	175,707	241,655
Loans, borrowings and bank overdrafts	(83,332)	(151,696)
	<b>₹ 262,168</b>	<b>₹ 193,795</b>

## 20. Foreign currency translation reserve and Other reserves

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

	As at March 31,	
	2021	2022
Balance at the beginning of the year	₹ 23,539	₹ 22,936
Translation difference related to foreign operations, net	(603)	4,072
Reclassification of foreign currency translation differences on sale of investment in associates and liquidation of subsidiaries to statement of income	—	(158)
<b>Balance at the end of the year</b>	<b>₹ 22,936</b>	<b>₹ 26,850</b>

The movement in other reserves is summarized below:

Particulars	Other Reserves			
	Remeasurements of the defined benefit plans	Investment in debt instruments measured at fair value through OCI	Investment in equity instruments measured at fair value through OCI	Capital Redemption Reserve
<b>As at April 1, 2019</b>	₹ (70)	₹ 1,164	₹ (562)	₹ 1
Other comprehensive income	(1,050)	1,222	724	—
Buyback of equity shares	—	—	—	646
<b>As at March 31, 2020</b>	₹ (1,120)	₹ 2,386	₹ 162	₹ 647
<b>As at April 1, 2020</b>	₹ (1,120)	₹ 2,386	₹ 162	₹ 647
Other comprehensive income	223	1,851	1,216	—
Buyback of equity shares	—	—	—	475
<b>As at March 31, 2021</b>	₹ (897)	₹ 4,237	₹ 1,378	₹ 1,122
<b>As at April 1, 2021</b>	₹ (897)	₹ 4,237	₹ 1,378	₹ 1,122
Other comprehensive income	399	(1,219)	8,710	—
<b>As at March 31, 2022</b>	₹ (498)	₹ 3,018	₹ 10,088	₹ 1,122

## 21. Income taxes

	Year ended March 31,		
	2020	2021	2022
Income tax expense as per the consolidated statement of income	₹ 24,799	₹ 30,345	₹ 28,946
Income tax included in other comprehensive income on:			
Gains/(losses) on investment securities	(230)	226	242
Gains/(losses) on cash flow hedging derivatives	(1,165)	1,013	14
Remeasurements of the defined benefit plans	(196)	111	3
	<b>₹ 23,208</b>	<b>₹ 31,695</b>	<b>₹ 29,205</b>

Income tax expense consists of the following:

	Year ended March 31,		
	2020	2021	2022
<b>Current taxes</b>			
Domestic	₹ 18,437	₹ 19,773	₹ 29,862
Foreign	5,887	6,292	2,553
	<b>24,324</b>	<b>26,065</b>	<b>32,415</b>
<b>Deferred taxes</b>			
Domestic	1,624	3,982	(635)
Foreign	(1,149)	298	(2,834)
	<b>475</b>	<b>4,280</b>	<b>(3,469)</b>
	<b>₹ 24,799</b>	<b>₹ 30,345</b>	<b>₹ 28,946</b>

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

	Year ended March 31,		
	2020	2021	2022
Profit before tax	₹ 122,512	₹ 139,007	₹ 151,275
Enacted income tax rate in India	34.94%	34.94%	34.94%
Computed expected tax expense	42,806	48,569	52,855
Effect of:			
Income exempt from tax	(12,930)	(12,697)	(17,503)
Basis differences that will reverse during a tax holiday period	480	(2,268)	1,348
Income taxed at higher / (lower) rates	(3,122)	(2,381)	(5,649)
Taxes related to prior years	(116)	(3,861)	(5,499)
Changes in unrecognized deferred tax assets	(3,898)	1,096	669
Expenses disallowed for tax purpose	1,785	1,879	2,898
Others, net	(206)	8	(173)
<b>Income tax expense</b>	<b>₹ 24,799</b>	<b>₹ 30,345</b>	<b>₹ 28,946</b>
<i>Effective income tax rate</i>	<i>20.24%</i>	<i>21.83%</i>	<i>19.13%</i>



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

	As at March 31,	
	2021	2022
Carry forward losses *	₹ 1,637	₹ 2,144
Trade payables, accrued expenses and other liabilities	5,115	6,103
Allowances for lifetime expected credit loss	3,208	2,987
Contract asset	91	—
Others	90	53
	<b>10,141</b>	<b>11,287</b>
Property, plant and equipment	(1,268)	(1,058)
Amortizable goodwill	(2,065)	(3,285)
Intangible assets	(1,249)	(9,645)
Interest income and fair value movement of investments	(1,582)	(1,067)
Cash flow hedges	(452)	(466)
Contract liabilities	—	(60)
Special Economic Zone Re-investment Reserve	(6,494)	(5,549)
	<b>(13,110)</b>	<b>(21,130)</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>₹ (2,969)</b>	<b>₹ (9,843)</b>
Amounts presented in consolidated statement of financial position:		
Deferred tax assets	₹ 1,664	₹ 2,298
Deferred tax liabilities	₹ (4,633)	₹ (12,141)

\* Includes deferred tax asset recognized on carry forward losses pertaining to business combinations.

#### Movement in deferred tax assets and liabilities

Movement during the year ended March 31, 2020	As at April 1, 2019	Credit/(charge) in the consolidated statement of income	Credit/(charge) in other comprehensive income *	On account of business combination	As at March 31, 2020
Carry forward losses	₹ 3,149	₹ (1,287)	₹ 182	₹ —	₹ 2,044
Trade payables, accrued expenses and other liabilities	3,713	1,033	248	—	4,994
Allowances for lifetime expected credit loss	4,521	(591)	(9)	—	3,921
Minimum alternate tax	—	3,425	—	—	3,425
Property, plant and equipment	(1,840)	1,150	4	—	(686)
Amortizable goodwill	(1,899)	(92)	(175)	—	(2,166)
Intangible assets	(2,295)	1,021	(90)	(177)	(1,541)
Interest income and fair value movement of investments	(1,455)	599	230	—	(626)
Cash flow hedges	(604)	—	1,165	—	561
Contract asset / (Contract liabilities)	(289)	285	(7)	—	(11)
Special Economic Zone Re-investment Reserve	(1,132)	(5,482)	—	—	(6,614)
Others	318	(536)	97	—	(121)
<b>Total</b>	<b>₹ 2,187</b>	<b>₹ (475)</b>	<b>₹ 1,645</b>	<b>₹ (177)</b>	<b>₹ 3,180</b>

Movement during the year ended March 31, 2021	As at April 1, 2020	Credit/(charge) in the consolidated statement of income	Credit/(charge) in other comprehensive income *	Others	As at March 31, 2021
Carry forward losses	₹ 2,044	₹ (230)	₹ (22)	₹ (155)	₹ 1,637
Trade payables, accrued expenses and other liabilities	4,994	279	(171)	13	5,115
Allowances for lifetime expected credit loss	3,921	(734)	21	—	3,208
Minimum alternate tax	3,425	(3,425)	—	—	—
Property, plant and equipment	(686)	(649)	66	1	(1,268)
Amortizable goodwill	(2,166)	34	67	—	(2,065)
Intangible assets	(1,541)	759	(55)	(412)	(1,249)
Interest income and fair value movement of investments	(626)	(730)	(226)	—	(1,582)
Cash flow hedges	561	—	(1,013)	—	(452)
Contract asset / (Contract liabilities)	(11)	101	4	(3)	91
Special Economic Zone Re-investment Reserve	(6,614)	120	—	—	(6,494)
Others	(121)	195	16	—	90
<b>Total</b>	<b>₹ 3,180</b>	<b>₹ (4,280)</b>	<b>₹ (1,313)</b>	<b>₹ (556)</b>	<b>₹ (2,969)</b>

<b>Movement during the year ended March 31, 2022</b>	<b>As at April 1, 2021</b>	<b>Credit/(charge) in the consolidated statement of income</b>	<b>Credit/(charge) in other comprehensive income *</b>	<b>On account of business combinations and others</b>	<b>As at March 31, 2022</b>
Carry forward losses	₹ 1,637	₹ 1,083	₹ 101	₹ (677)	₹ 2,144
Trade payables, accrued expenses and other liabilities	5,115	363	41	584	6,103
Allowances for lifetime expected credit loss	3,208	(248)	27	—	2,987
Property, plant and equipment	(1,268)	289	(30)	(49)	(1,058)
Amortizable goodwill	(2,065)	(1,129)	(91)	—	(3,285)
Intangible assets	(1,249)	1,910	(212)	(10,094)	(9,645)
Interest income and fair value movement of investments	(1,582)	424	(245)	336	(1,067)
Cash flow hedges	(452)	—	(14)	—	(466)
Contract asset / (Contract liabilities)	91	(205)	7	47	(60)
Special Economic Zone Re-investment Reserve	(6,494)	945	—	—	(5,549)
Others	90	37	(98)	24	53
<b>Total</b>	<b>₹ (2,969)</b>	<b>₹ 3,469</b>	<b>₹ (514)</b>	<b>₹ (9,829)</b>	<b>₹ (9,843)</b>

\* Includes impact of foreign currency translation.

Deferred taxes on unrealized foreign exchange gain / loss relating to cash flow hedges, fair value movements in investments and remeasurements of the defined benefit plans are recognized in other comprehensive income. Deferred tax liability on the intangible assets identified and carry forward losses on acquisitions is recorded by an adjustment to goodwill. Other than these, the change in deferred tax assets and liabilities is primarily recorded in the consolidated 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, projected future taxable income and tax planning strategies 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 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 amounting to ₹ 8,676 and ₹ 8,017 as at March 31, 2021 and 2022, respectively in respect of unused tax losses have not been recognized by the Company. The tax loss carry-forwards of ₹ 31,993 and ₹ 32,117 as at March 31, 2021 and 2022, respectively, on which deferred tax asset has not been recognized by the Company, because it is probable that future taxable profits will not be available against which the unused tax losses can be utilized in the foreseeable future. Approximately, ₹ 17,691, and ₹ 29,993 as at March 31, 2021 and 2022, respectively, of these tax loss carry-forwards is not currently subject to expiration dates. The remaining tax loss carry-forwards of approximately ₹ 14,302 and ₹ 2,124 as at March 31, 2021 and 2022, respectively, expires in various years through fiscal year 2038.

The Company has recognized deferred tax assets of ₹ 1,637 and ₹ 2,144 primarily in respect of carry forward losses including certain subsidiaries as at March 31, 2021 and 2022, respectively. 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.

We have calculated our domestic tax liability under normal provisions. Accordingly, no deferred tax asset has been recognized towards MAT in the statement of financial position for the years ended March 31, 2021 and 2022. The effective MAT rate is 17.47%. The excess tax paid under MAT provisions over and above normal tax liability can be carried forward for a period of fifteen years and set-off against future tax liabilities computed under normal tax provisions.

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 units established 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. 50% tax deduction is available for a further five years subject to the unit meeting certain defined conditions. Profits from certain other undertakings are also eligible for preferential tax treatment. New Special Economic Zone units set up on or after April 1, 2021 are not eligible for the aforesaid deduction. The tax holiday period being currently available to the Company expires in various years through fiscal 2034-35. The impact of tax holidays has resulted in a decrease of current tax expense of ₹ 11,963, ₹ 11,458 and ₹ 16,483 for the years ended March 31, 2020, 2021 and 2022, respectively, compared to the effective tax amounts that we estimate the Company would have been required to pay if these incentives had not been available. The per share effect of these tax incentives for the years ended March 31, 2020, 2021 and 2022 was ₹ 2.05, ₹ 2.03, and ₹ 3.02, respectively.

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 ₹ 59,793 and ₹ 94,029 as at March 31, 2021 and 2022, respectively and branch profit tax @ 15% of the US branch profit have not been recognized. Further, it is not practicable to estimate the amount of the unrecognized deferred tax liabilities for these undistributed earnings.

## 22. Dividends and Buyback of equity shares

The Company declares and pays dividends in Indian rupees. According to the Companies Act, 2013 any dividend should be declared out of accumulated distributable profits. A Company may, before the declaration of any dividend, transfer a percentage of its profits for that financial year as it may consider appropriate to the reserves.

The cash dividends paid per equity share were ₹ 1, ₹ 1 and ₹ 1, during the years ended March 31, 2020, 2021 and 2022, respectively, including an interim dividend of ₹ 1, ₹ 1 and ₹ 1 for the year ended March 31, 2020, 2021 and 2022, respectively.

The Board of Directors in their meeting held on March 25, 2022, declared an interim dividend of ₹ 5/- (US\$ 0.07) per equity share and ADR (250% on an equity share of par value of ₹ 2/-). Consequently, the Company has recorded a liability of ₹ 27,337 as at March 31, 2022 and this has been paid subsequently on April 19, 2022.

During the year ended March 31, 2020, the Company concluded the buyback of 323,076,923 equity shares as approved by the Board of Directors on April 16, 2019. This has resulted in a total cash outflow of ₹ 105,000. In line with the requirement of the Companies Act, 2013, an amount of ₹ 105,000 has been utilized from retained earnings. Further, capital redemption reserve (included in other reserves) of ₹ 646 (representing the nominal value of the shares bought back) has been created as an apportionment from retained earnings. Consequent to such buyback, the paid-up equity share capital has reduced by ₹ 646.

During the year ended March 31, 2021, the Company concluded the buyback of 237,500,000 equity shares as approved by the Board of Directors on October 13, 2020. This has resulted in a total cash outflow of ₹ 116,445 (including tax on buyback of ₹ 21,445). In line with the requirement of the Companies Act, 2013, an amount of ₹ 1,427 and ₹ 115,018 has been utilized from share premium and retained earnings respectively. Further, capital redemption reserve (included in other reserves) of ₹ 475 (representing the nominal value of the shares bought back) has been created as an apportionment from retained earnings. Consequent to such buyback, the paid-up equity share capital has reduced by ₹ 475.

## 23. 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's focus is to keep 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 to distribute annual dividends in future periods. The amount of future dividends/ buyback of equity shares will be balanced with efforts to continue to maintain an adequate liquidity status.

The capital structure as at March 31, 2021 and 2022 was as follows:

	As at March 31,		
	2021	2022	% Change
Equity attributable to the equity shareholders of the Company	₹ 553,095	₹ 658,158	19.0%
<i>As percentage of total capital</i>	84%	79%	
Current loans, borrowings and bank overdrafts	75,874	95,233	
Non-current long-term loans and borrowings	7,458	56,463	
Lease liabilities	21,182	24,233	
Total loans, borrowings and bank overdrafts and lease liabilities	₹ 104,514	₹ 175,929	68.3%
<i>As percentage of total capital</i>	16%	21%	
<b>Total capital</b>	<b>₹ 657,609</b>	<b>₹ 834,087</b>	<b>26.8%</b>

Loans and borrowings represent 16% and 21% of total capital as at March 31, 2021 and 2022, respectively. The Company is not subjected to any externally imposed capital requirements.

## **24. Revenue**

### **A. Contract Assets and Liabilities**

The Company classifies its right to consideration in exchange for deliverables as either a receivable or a contract asset.

A receivable is a right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. For example, the Company recognizes a receivable for revenues related to time and materials contracts or volume based contracts. The Company presents such receivables as part of unbilled receivables at their net estimated realizable value. The same is tested for impairment as per the guidance in IFRS 9 using expected credit loss method.

**Contract liabilities:** During the year ended March 31, 2021 and March 31, 2022, the Company recognized revenue of ₹ 16,082 and ₹ 18,880 arising from contract liabilities as at March 31, 2020 and March 31, 2021 respectively.

**Contract assets:** During the year ended March 31, 2021 and March 31, 2022, ₹ 15,101 and ₹ 13,944 of contract assets pertaining to fixed-price development contracts have been reclassified to receivables on completion of milestones.

Contract assets and liabilities are reported in a net position on a contract-by-contract basis at the end of each reporting period.

### **B. Remaining Performance Obligations**

Revenue allocated to remaining performance obligations represents contracted revenue that has not yet been recognized, which includes contract liabilities and amounts that will be invoiced and recognized as revenue in future periods. Applying the practical expedient, the Company has not disclosed its right to consideration from customers in an amount that corresponds directly with the value to the customer of the Company's performance completed to date, which are contracts invoiced on time and material basis and volume based.

As at March 31, 2020, 2021 and 2022, the aggregate amount of transaction price allocated to remaining performance obligations, other than those meeting the exclusion criteria above, were ₹ 360,033, ₹ 384,881 and ₹ 328,191, respectively of which approximately 62%, 59% and 59% respectively is expected to be recognized as revenues within two years, and the remainder thereafter. This includes contracts with a substantive enforceable termination penalty if the contract is terminated without cause by the customer, based on an overall assessment of the contract carried out at the time of inception. Historically, customers have not terminated contracts without cause.

### **C. Disaggregation of Revenue**

The tables below present disaggregated revenue from contracts with customers by business segment (refer to Note 34 "Segment Information"), sector and nature of contract. The Company believes that the below disaggregation best depicts the nature, amount, timing and uncertainty of revenue and cash flows from economic factors.

Information on disaggregation of revenues for the year ended March 31, 2020 is as follows:

	IT Services							
	Americas 1	Americas 2	Europe	APMEA	Total	IT Products	ISRE	Total
<b>A. Revenue</b>								
Rendering of services	₹ 175,318	₹ 180,404	₹ 156,598	₹ 78,280	₹ 590,600	₹ —	₹ 7,950	₹ 598,550
Sale of products	—	—	—	—	—	11,682	—	11,682
	<u>₹ 175,318</u>	<u>₹ 180,404</u>	<u>₹ 156,598</u>	<u>₹ 78,280</u>	<u>₹ 590,600</u>	<u>₹ 11,682</u>	<u>₹ 7,950</u>	<u>₹ 610,232</u>
<b>B. Revenue by sector</b>								
Banking, Financial Services and Insurance	₹ 2,151	₹ 106,694	₹ 53,869	₹ 20,659	₹ 183,373			
Health	63,435	105	10,090	4,167	77,797			
Consumer	67,980	2,054	16,030	10,448	96,512			
Communications	8,061	1,048	7,753	16,794	33,656			
Energy, Natural Resources and Utilities	418	26,024	29,854	19,661	75,957			
Manufacturing	349	23,548	20,324	3,639	47,860			
Technology	32,924	20,931	18,678	2,912	75,445			
	<u>₹ 175,318</u>	<u>₹ 180,404</u>	<u>₹ 156,598</u>	<u>₹ 78,280</u>	<u>₹ 590,600</u>	<u>₹ 11,682</u>	<u>₹ 7,950</u>	<u>₹ 610,232</u>
<b>C. Revenue by nature of contract</b>								
Fixed price and volume based	₹ 96,876	₹ 108,665	₹ 104,165	₹ 53,220	₹ 362,926	₹ —	₹ 6,404	₹ 369,330
Time and materials	78,442	71,739	52,433	25,060	227,674	—	1,546	229,220
Products	—	—	—	—	—	11,682	—	11,682
	<u>₹ 175,318</u>	<u>₹ 180,404</u>	<u>₹ 156,598</u>	<u>₹ 78,280</u>	<u>₹ 590,600</u>	<u>₹ 11,682</u>	<u>₹ 7,950</u>	<u>₹ 610,232</u>

Information on disaggregation of revenues for the year ended March 31, 2021 is as follows:

	IT Services							
	Americas 1	Americas 2	Europe	APMEA	Total	IT Products	ISRE	Total
<b>A. Revenue</b>								
Rendering of services	₹ 177,387	₹ 178,920	₹ 164,498	₹ 82,050	₹ 602,855	₹ —	₹ 8,912	₹ 611,767
Sale of products	—	—	—	—	—	7,663	—	7,663
	<u>₹ 177,387</u>	<u>₹ 178,920</u>	<u>₹ 164,498</u>	<u>₹ 82,050</u>	<u>₹ 602,855</u>	<u>₹ 7,663</u>	<u>₹ 8,912</u>	<u>₹ 619,430</u>
<b>B. Revenue by sector</b>								
Banking, Financial Services and Insurance	₹ 2,609	₹ 103,040	₹ 56,275	₹ 23,228	₹ 185,152			
Health	64,397	18	12,390	4,789	81,594			
Consumer	68,258	2,306	17,731	10,544	98,839			
Communications	6,252	1,112	8,247	15,512	31,123			
Energy, Natural Resources and Utilities	426	27,405	31,271	19,717	78,819			
Manufacturing	265	23,350	22,339	3,024	48,978			
Technology	35,180	21,689	16,245	5,236	78,350			
	<u>₹ 177,387</u>	<u>₹ 178,920</u>	<u>₹ 164,498</u>	<u>₹ 82,050</u>	<u>₹ 602,855</u>	<u>₹ 7,663</u>	<u>₹ 8,912</u>	<u>₹ 619,430</u>
<b>C. Revenue by nature of contract</b>								
Fixed price and volume based	₹ 98,868	₹ 110,143	₹ 108,591	₹ 54,519	₹ 372,121	₹ —	₹ 7,166	₹ 379,287
Time and materials	78,519	68,777	55,907	27,531	230,734	—	1,746	232,480
Products	—	—	—	—	—	7,663	—	7,663
	<u>₹ 177,387</u>	<u>₹ 178,920</u>	<u>₹ 164,498</u>	<u>₹ 82,050</u>	<u>₹ 602,855</u>	<u>₹ 7,663</u>	<u>₹ 8,912</u>	<u>₹ 619,430</u>

Information on disaggregation of revenues for the year ended March 31, 2022 is as follows:

	IT Services							
	Americas 1	Americas 2	Europe	APMEA	Total	IT Products	ISRE	Total
<b>A. Revenue</b>								
Rendering of services	₹ 216,843	₹ 238,123	₹ 232,021	₹ 90,479	₹ 777,466	₹ —	₹ 7,295	₹ 784,761
Sale of products					—	6,173	—	6,173
	<u>₹ 216,843</u>	<u>₹ 238,123</u>	<u>₹ 232,021</u>	<u>₹ 90,479</u>	<u>₹ 777,466</u>	<u>₹ 6,173</u>	<u>₹ 7,295</u>	<u>₹ 790,934</u>
<b>B. Revenue by sector</b>								
Banking, Financial Services and Insurance	₹ 2,609	₹ 144,076	₹ 93,039	₹ 30,048	₹ 269,772			
Health	73,542	127	13,975	3,407	91,051			
Consumer	89,824	2,589	31,718	12,310	136,441			
Communications	9,387	1,207	12,952	15,035	38,581			
Energy, Natural Resources and Utilities	712	36,413	38,421	19,038	94,584			
Manufacturing	199	26,662	23,220	3,197	53,278			
Technology	40,570	27,049	18,696	7,444	93,759			
	<u>₹ 216,843</u>	<u>₹ 238,123</u>	<u>₹ 232,021</u>	<u>₹ 90,479</u>	<u>₹ 777,466</u>	<u>₹ 6,173</u>	<u>₹ 7,295</u>	<u>₹ 790,934</u>
<b>C. Revenue by nature of contract</b>								
Fixed price and volume based	₹ 121,656	₹ 131,975	₹ 139,031	₹ 56,104	₹ 448,766	₹ —	₹ 5,789	₹ 454,555
Time and materials	95,187	106,148	92,990	34,375	328,700	—	1,506	330,206
Products					—	6,173	—	6,173
	<u>₹ 216,843</u>	<u>₹ 238,123</u>	<u>₹ 232,021</u>	<u>₹ 90,479</u>	<u>₹ 777,466</u>	<u>₹ 6,173</u>	<u>₹ 7,295</u>	<u>₹ 790,934</u>

## 25. Expenses by nature

	Year ended March 31,		
	2020	2021	2022
Employee compensation	₹ 326,571	₹ 332,371	₹ 450,075
Sub-contracting and technical fees	90,521	83,609	108,589
Cost of hardware and software	11,491	7,684	6,431
Travel	18,169	5,258	7,320
Facility expenses	19,733	20,255	25,269
Depreciation, amortization and impairment *	20,862	27,656	30,911
Communication	4,812	6,069	5,760
Legal and professional fees	4,733	5,561	7,561
Rates, taxes and insurance	3,004	3,475	4,548
Marketing and brand building	2,532	1,011	2,010
Lifetime expected credit loss/ (write-back)	1,043	1,506	(797)
Miscellaneous expenses **	5,344	4,836	9,512
<b>Total cost of revenues, selling and marketing expenses and general and administrative expenses</b>	<b>₹ 508,815</b>	<b>₹ 499,291</b>	<b>₹ 657,189</b>

\* Depreciation, amortization, and impairment includes an impairment charge on certain software platforms, capital work-in-progress, property, plant and equipment and intangible assets amounting to ₹ Nil, ₹ 2,418 and ₹ Nil, for the year ended March 31, 2020, 2021 and 2022, respectively.

\*\* Miscellaneous expenses for the year ended March 31, 2021, includes an amount of ₹ 991 towards COVID-19 contributions.

## 26. Other operating income/(loss), net

### Year ended March 31, 2020

During the year ended March 31, 2020, the Company concluded the sale of assets pertaining to Workday business and Cornerstone OnDemand business in Portugal, France, and Sweden. A gain of ₹ 152 arising from such transaction was recognized under other operating income/(loss), net.

The Company has partially met the first year and second year business targets pertaining to the sale of its hosted data center business concluded during the year ended March 31, 2019. Change in fair value of the callable units pertaining to achievement of the business targets amounting to ₹ 992 for the year ended March 31, 2020, was recognized under other operating income/(loss), net.

### Year ended March 31, 2021

The Company has partially met the first and second-year business targets pertaining to the sale of its hosted data center business concluded during the year ended March 31, 2019. Change in fair value of the callable units pertaining to achievement of cumulative business targets amounting to ₹ (81) for the year ended March 31, 2021, was recognized under other operating income/(loss), net.

### Year ended March 31, 2022

The Company sold its investment in Ensono Holdings, LLC as a result of acquisition by another investor for a consideration of ₹ 5,628 and recognized a cumulative gain of ₹ 1,252 (net of tax ₹ 430) in other comprehensive income being profit on sale of investment designated as FVTOCI. The Company also recognized ₹ 1,233 for the year ended March 31, 2022 under other operating income/(loss), net towards change in fair value of callable units pertaining to achievement of cumulative business targets.

The Company sold its investment in Denim Group as a result of acquisition by another investor for a consideration of ₹ 1,652 and recognized a cumulative gain of ₹ 953 in other operating income/(loss), net including reclassification of exchange differences on foreign currency translation.

## 27. Finance expenses

	Year ended March 31,		
	2020	2021	2022
Interest expense	₹ 5,136	₹ 4,298	₹ 5,325
Exchange fluctuation loss on foreign currency borrowings	2,192	790	—
	<b>₹ 7,328</b>	<b>₹ 5,088</b>	<b>₹ 5,325</b>

## 28. Finance and other income and Foreign exchange gains/(losses), net

	Year ended March 31,		
	2020	2021	2022
Interest income	₹ 21,764	₹ 18,442	₹ 13,114
Dividend income	367	4	2
Exchange fluctuation gain on foreign currency borrowings	—	—	1,485
Net gain from investments classified as FVTPL	1,275	1,478	1,270
Net gain from investments classified as FVTOCI	675	988	386
<b>Finance and other income</b>	<b>₹ 24,081</b>	<b>₹ 20,912</b>	<b>₹ 16,257</b>
Foreign exchange gains/(losses), net, on financial instruments measured at FVTPL	2,144	4,383	808
Other foreign exchange gains/(losses), net	1,025	(1,388)	3,547
<b>Foreign exchange gains/(losses), net</b>	<b>₹ 3,169</b>	<b>₹ 2,995</b>	<b>₹ 4,355</b>
	<b>₹ 27,250</b>	<b>₹ 23,907</b>	<b>₹ 20,612</b>

## 29. 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 year, excluding equity shares purchased by the Company and held as treasury shares.

	Year ended March 31,		
	2020	2021	2022
Profit attributable to equity holders of the Company	₹ 97,218	₹ 107,946	₹ 122,191
Weighted average number of equity shares outstanding	5,833,384,018	5,649,265,885	5,466,705,840
<b>Basic earnings per share</b>	<b>₹ 16.67</b>	<b>₹ 19.11</b>	<b>₹ 22.35</b>

**Diluted:** Diluted earnings per share is calculated by adjusting the weighted average number of equity shares outstanding during the year 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 year). 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,		
	2020	2021	2022
Profit attributable to equity holders of the Company	₹ 97,218	₹ 107,946	₹ 122,191
Weighted average number of equity shares outstanding	5,833,384,018	5,649,265,885	5,466,705,840
Effect of dilutive equivalent share options	14,439,221	12,391,937	15,377,598
Weighted average number of equity shares for diluted earnings per share	5,847,823,239	5,661,657,822	5,482,083,438
<b>Diluted earnings per share</b>	<b>₹ 16.62</b>	<b>₹ 19.07</b>	<b>₹ 22.29</b>

## 30. Employee stock incentive plans

The stock compensation expense recognized for employee services received during the year ended March 31, 2020, 2021 and 2022, were ₹ 1,262, ₹ 2,897, and ₹ 4,164, respectively.

## Wipro Equity Reward Trust ("WERT")

In 1984, the Company established a controlled trust called the Wipro Equity Reward Trust ("WERT"). In the earlier years, WERT purchased shares of the Company out of funds borrowed from the Company. The Company's Board Governance, Nomination and Compensation Committee recommends to WERT certain officers and key employees, to whom WERT issues shares from its holdings at nominal price subject to vesting conditions. WERT held 22,746,081, 19,401,215 and 14,689,729 treasury shares as at March 31, 2020, 2021 and 2022, respectively.



## Wipro Employee Stock Option Plans and Restricted Stock Unit Option Plans

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

Name of Plan	Number of options reserved under the plan	Range of exercise price
Wipro ADS Restricted Stock Unit Plan (WARSUP 2004 plan) *	59,797,979	US \$ 0.03
Wipro Employee Restricted Stock Unit Plan 2005 (WSRUP 2005 plan) *	59,797,979	₹ 2
Wipro Employee Restricted Stock Unit Plan 2007 (WSRUP 2007 plan) *	49,831,651	₹ 2
Wipro Equity Reward Trust Employee Stock Purchase Plan, 2013 **	39,546,197	₹ 2

Employees covered under Stock Option Plans and Restricted Stock Unit (“RSU”) Option Plans (collectively “**Stock Option Plans**”) are granted an option to purchase shares of the Company at the respective exercise prices, subject to requirements of vesting conditions. These options generally vest in tranches over a period of one to four 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 and RSU Option Plans is perpetual until the options are available for grant under the plan.

\*\* The maximum contractual term for these Stock Option Plans is up to May 29, 2023 until the options are available for grant under the plan.

The activity in equity-settled stock option plans and restricted stock unit option plan is summarized below:

	Range of exercise price and Weighted average exercise price	Year ended March 31,		
		2020	2021	2022
		Numbers of options		
Outstanding at the beginning of the year	₹ 2	17,607,463	15,594,190	15,831,948
	US \$ 0.03	14,446,790	7,854,540	10,822,476
Granted *	₹ 2	5,662,500	6,275,290	2,500,481
	US \$ 0.03	5,341,000	5,033,648	10,470,026
Adjustment of Performance based stock options on completion of performance measurement period	₹ 2	(2,182,667)	(1,291,500)	608,435
	US \$ 0.03	(2,273,164)	(1,021,560)	570,076
Exercised	₹ 2	(4,610,572)	(3,356,199)	(4,712,311)
	US \$ 0.03	(2,496,125)	(3,269,832)	(2,930,735)
Modification **	₹ 2	—	—	—
	US \$ 0.03	(5,681,966)	3,453,015	—
Forfeited and expired	₹ 2	(882,534)	(1,389,833)	(1,985,881)
	US \$ 0.03	(1,481,995)	(1,227,335)	(1,419,941)
Outstanding at the end of the year	₹ 2	15,594,190	15,831,948	12,242,672
	US \$ 0.03	7,854,540	10,822,476	17,511,902
Exercisable at the end of the year	₹ 2	1,502,957	2,679,538	2,478,568
	US \$ 0.03	1,212,560	465,603	1,072,118

\* Includes 2,461,500, 2,969,860 and 1,135,949 Performance based stock options (RSU) during the year ended March 31, 2020, 2021 and 2022, respectively. 2,524,600, 2,376,980 and 2,941,546 Performance based stock options (ADS) during the year ended March 31, 2020, 2021 and 2022, respectively. Performance based stock options (RSU) were issued under Wipro Employee Restricted Stock Unit plan 2007 (WSRUP 2007 plan) and Performance based stock options (ADS) were issued under Wipro ADS Restricted Stock Unit Plan (WARSUP 2004 plan). Performance based stock options will vest based on the performance parameters of the Company.

The activity in cash-settled stock option plans and restricted stock unit option plan is summarized below:

	Year ended March 31,	
	2021	2022
	Number of options	
Outstanding at the beginning of the year	4,721,388	78,199
Modification **	(3,453,015)	—
Exercised	(845,066)	(46,133)
Forfeited and lapsed	(345,108)	(7,466)
Outstanding at the end of the year	78,199	24,600
Exercisable at the end of the year	23,999	2,800

The carrying value of liability towards Cash Settled ADS RSU's outstanding was ₹ 31 (including ₹ 11 towards exercisable units) and ₹ 20 (including ₹ 2 towards exercisable units) as at March 31, 2021 and 2022, respectively.

## \*\* Restricted Stock Units arrangements that were modified during the year ended March 31, 2020

Pursuant to the SEBI circular dated October 10, 2019, prohibiting issuance of depository receipts by listed companies to NRIs, the Board Governance, Nomination and Compensation Committee approved in November 2019 cash pay out to its NRI employees in lieu of shares and upon exercise of vested ADS RSU under the Company's WARSUP 2004 Plan, based on prevailing market price of ADS on the date of exercise. This change was accounted as a modification and the fair value on the date of modification of ₹ 561 has been recognised as financial liability with a corresponding adjustment to equity.

## \*\* Restricted Stock Units arrangements that were modified during the year ended March 31, 2021

Pursuant to the SEBI clarification dated December 18, 2020, the restriction under SEBI circular dated October 10, 2019, "Framework of Depository Receipts" shall not apply in case of issue of Depository Receipts to NRIs, pursuant to share based employee benefit schemes which are implemented by a company in terms of SEBI (Share Based Employee Benefits) Regulations 2014, the Board Governance, Nomination and Compensation Committee approved in January 2021, allotment of underlying equity shares in respect of ADSs to be issued and allocated to NRI employees upon exercise of vested ADS RSU under the Company's WARSUP 2004 Plan. This change was accounted as a modification and the fair value on the date of modification was determined based on prevailing market price and accordingly an amount of ₹ 739 has been recognized as equity with a corresponding adjustment to financial liability.

The following table summarizes information about outstanding stock options and restricted stock unit option plan:

Range of exercise price and Weighted average exercise price	Year ended March 31,					
	2020		2021		2022	
	Number of options	Weighted Average Remaining life (months)	Number of options	Weighted Average Remaining life (months)	Number of options	Weighted Average Remaining life (months)
₹2	15,594,190	23	15,831,948	18	12,242,672	13
US \$ 0.03	7,854,540	23	10,822,476	19	17,511,902	20

The weighted average grant date fair value of options granted during the year ended March 31, 2020, 2021 and 2022 was ₹ 260.65, ₹ 354.78, and ₹ 603.47 for each option, respectively. The weighted average share price of options exercised during the year ended March 31, 2020, 2021 and 2022 was ₹ 267.04, ₹ 354.45, and ₹ 604.47 for each option, respectively.

## 31. Employee benefits

### a) Employee costs includes

	Year ended March 31,		
	2020	2021	2022
Salaries and bonus	₹ 315,036	₹ 318,043	₹ 429,837
Employee benefits plans	10,273	11,431	16,074
Share-based compensation *	1,262	2,897	4,164
	<u>₹ 326,571</u>	<u>₹ 332,371</u>	<u>₹ 450,075</u>

\* Includes ₹ 587 and ₹ 54 for the year ended March 31, 2021 and 2022 respectively, towards cash settled ADS RSUs.

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

	Year ended March 31,		
	2020	2021	2022
Cost of revenues	₹ 279,356	₹ 282,983	₹ 382,446
Selling and marketing expenses	30,763	31,236	41,339
General and administrative expenses	16,452	18,152	26,290
	<u>₹ 326,571</u>	<u>₹ 332,371</u>	<u>₹ 450,075</u>

Defined benefit plan actuarial (gains)/losses recognized in other comprehensive income include:

	Year ended March 31,		
	2020	2021	2022
Re-measurement of net defined benefit liability/(asset)			
Return on plan assets excluding interest income—loss/(gain)	₹ 76	₹ (578)	₹ (30)
Actuarial loss/(gain) arising from financial assumptions	749	423	(625)
Actuarial loss/(gain) arising from demographic assumptions	227	155	(667)
Actuarial loss/(gain) arising from experience adjustments	194	(334)	920
	<u>₹ 1,246</u>	<u>₹ (334)</u>	<u>₹ (402)</u>

#### b) Gratuity and foreign pension

Defined benefit plans include gratuity for employees drawing salary in Indian rupees, pension and certain benefit plans in foreign jurisdictions. Amount recognized in the consolidated statement of income in respect of defined benefit plans is as follows:

	Year ended March 31,		
	2020	2021	2022
Current service cost	₹ 1,782	₹ 2,085	₹ 2,674
Net interest on net defined benefit liability/(asset)	63	131	64
Net charge to statement of income	<u>₹ 1,845</u>	<u>₹ 2,216</u>	<u>₹ 2,738</u>

Actual return on plan assets	₹ 513	₹ 1,127	₹ 715
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Change in present value of defined benefit obligation is summarized below:

	As at March 31,	
	2021	2022
Defined benefit obligation at the beginning of the year	₹ 13,465	₹ 15,475
Acquisitions (Refer to Note 7 and 35)	7	3,123
Current service cost	2,085	2,674
Interest on obligation	681	749
Benefits paid	(1,069)	(2,731)
Remeasurement loss/(gain)		
Actuarial loss/(gain) arising from financial assumptions	423	(625)
Actuarial loss/(gain) arising from demographic assumptions	155	(667)
Actuarial loss/(gain) arising from experience adjustments	(334)	920
Translation adjustment	62	(25)
Defined benefit obligation at the end of the year	<u>₹ 15,475</u>	<u>₹ 18,893</u>

Change in plan assets is summarized below:

	As at March 31,	
	2021	2022
Fair value of plan assets at the beginning of the year	₹ 10,535	₹ 13,637
Acquisitions	—	1,636
Expected return on plan assets	550	685
Employer contributions	1,993	2,213
Benefits paid	(76)	(452)
Remeasurement (loss)/gain		
Return on plan assets excluding interest income—(loss)/gain	578	30
Translation adjustment	57	(48)
Fair value of plan assets at the end of the year	<u>₹ 13,637</u>	<u>₹ 17,701</u>
Present value of unfunded obligation	₹ (1,838)	₹ (1,192)
Recognized asset/(liability)	<u>₹ (1,838)</u>	<u>₹ (1,192)</u>

As at March 31, 2021 and 2022, plan assets were primarily invested in insurer managed funds.

The Company has established an income tax approved irrevocable trust fund to which it regularly contributes to finance the liabilities of the gratuity plan. The fund's investments are managed by certain insurance companies as per the selection made by the trustees among the fund plan available.

The principal assumptions used for the purpose of actuarial valuation of these defined benefit plans are as follows:

	As at March 31,	
	2021	2022
Discount rate	4.69%	4.54%
Expected return on plan assets	4.69%	4.54%
Expected rate of salary increase	6.57%	6.12%
Duration of defined benefit obligations	9 years	8 years

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.

The discount rate is primarily based on the prevailing market yields of government securities for the estimated term of the obligations. The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors. Attrition rate considered is the management's estimate, based on previous years' employee turnover of the Company.

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, 2023	₹ 1,454
Estimated benefit payments from the fund for the year ending March 31:	
2023	₹ 2,935
2024	2,052
2025	1,970
2026	1,907
2027	1,920
Thereafter	15,001
<b>Total</b>	<b>₹ 25,785</b>

The expected benefits are based on the same assumptions used to measure the Company's benefit obligations as at March 31, 2022. Sensitivity for significant actuarial assumptions is computed to show the movement in defined benefit obligation by 1 percentage.

As of March 31, 2022, every 1 percentage point increase/ (decrease) in discount rate will result in (decrease)/increase of defined benefit obligation by approximately ₹ (1,937) and ₹ 1,000 respectively (March 31, 2021: ₹ (1,508) and ₹ 1,440 respectively).

As of March 31, 2022, every 1 percentage point increase/ (decrease) in expected rate of salary will result in increase/ (decrease) of defined benefit obligation by approximately ₹ 634 and ₹ (635) respectively (March 31, 2021: ₹ 864 and ₹ (798) respectively).

The sensitivity analysis to significant actuarial assumptions may not be representative of the actual change in the defined benefit obligations as the change in assumptions may not occur in isolation since some of the assumptions may be correlated. Furthermore, in presenting the sensitivity analysis, the present value of the defined benefit obligations has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the statement of financial position.

#### c) Provident fund:

The details of fund and plan assets are given below:

	As at March 31,	
	2021	2022
Fair value of plan assets	₹ 71,196	₹ 76,573
Present value of defined benefit obligation	(71,196)	(76,573)
<b>Net shortfall</b>	<b>₹ —</b>	<b>₹ —</b>

The total expense for the year ended March 31, 2020, 2021 and 2022 is ₹ 2,282, ₹ 2,833 and ₹ 3,578, respectively.

The plan assets have been invested as per the regulations of Employees' Provident Fund Organization (EPFO).

The principal assumptions used in determining the present value obligation of interest guarantee under the deterministic approach are as follows:

	As at March 31,	
	2021	2022
Discount rate for the term of the obligation	5.80%	5.85%
Average remaining tenure of investment portfolio	6 years	6 years
Guaranteed rate of return	8.50%	8.10%



**d) Defined contribution plans:**

The total expense for the year ended March 31, 2020, 2021 and 2022 is ₹ 6,209, ₹ 6,513 and ₹ 9,822, respectively.

**32. Related party relationship and transactions**

List of subsidiaries and associates as at March 31, 2022, are provided in the table below:

	Subsidiaries	Subsidiaries	Subsidiaries	Country of Incorporation
Wipro, LLC		Wipro Gallagher Solutions, LLC	Wipro Opus Risk Solutions LLC (formerly known as Wipro Opus Mortgage Solutions LLC)	USA USA USA
		Wipro Insurance Solutions, LLC		USA
		Wipro IT Services, LLC		USA
			HealthPlan Services, Inc. **	USA
			Wipro Appirio, Inc. **	USA
			Designit North America, Inc.	USA
			Infocrossing, LLC	USA
			Wipro US Foundation	USA
			International TechneGroup Incorporated **	USA
			Wipro Designit Services, Inc. **	USA
			Wipro VLSI Design Services, LLC	USA
			Cardinal US Holdings, Inc. **	USA
			LeanSwift Solutions, Inc. **	USA
			Edgile, LLC	USA
Wipro Overseas IT Services Private Limited				India
Wipro Japan KK				Japan
Wipro Shanghai Limited		Designit Tokyo Ltd.		Japan
Wipro Trademarks Holding Limited				China
Wipro Travel Services Limited				India
Wipro Holdings (UK) Limited				India
		Designit A/S		U.K.
			Designit Denmark A/S	Denmark
			Designit Germany GmbH	Denmark
			Designit Oslo A/S	Germany
			Designit Sweden AB	Norway
			Designit T.L.V Ltd.	Sweden
			Designit Spain Digital, S.L.U	Israel
		Wipro Europe Limited		Spain
			Wipro UK Limited	U.K.
		Wipro Financial Services UK Limited		U.K.
		Wipro IT Services S.R.L.		U.K.
		Wipro Gulf LLC		Romania
				Sultanate of Oman
		Wipro Bahrain Limited Co. W.L.L		Bahrain
		Wipro 4C NV		Belgium
			Wipro 4C Danmark ApS	Denmark
			Wipro 4C Nederland B.V (formerly known as 4C Nederland B.V)	Netherlands
			Wipro Weare4C UK Limited **	U.K.
			Wipro 4C Consulting France SAS	France
Wipro IT Services UK Societas				U.K.
		Wipro Doha LLC #		Qatar
		Wipro Technologies SA DE CV		Mexico
		Wipro Holdings Hungary Korlátolt Felelősségű Társaság		Hungary
			Wipro Holdings Investment Korlátolt Felelősségű Társaság	Hungary

Wipro Information Technology Egypt SAE	Egypt
Wipro Arabia Co. Limited *	Saudi Arabia
Women's Business Park Technologies Limited *	Saudi Arabia
Wipro Poland SP Z.O.O	Poland
Wipro IT Services Poland SP Z.O.O	Poland
Wipro Technologies Australia Pty Ltd	Australia
Ampion Holdings Pty Ltd **	Australia
Wipro Technologies South Africa (Proprietary) Limited	South Africa
Wipro IT Service Ukraine, LLC	Nigeria
Wipro Information Technology Netherlands BV.	Ukraine
	Netherlands
	Wipro Portugal S.A. **
	Portugal
	Wipro Technologies Limited
	Russia
	Wipro Technology Chile SPA
	Chile
	Wipro Solutions Canada Limited
	Canada
	Wipro Information Technology Kazakhstan LLP
	Kazakhstan
	Wipro Technologies W.T. Sociedad Anonima
	Costa Rica
	Wipro Outsourcing Services (Ireland) Limited
	Ireland
	Wipro Technologies Peru SAC
	Peru
	Wipro do Brasil Tecnologia Ltda **
	Brazil
Wipro Technologies SA	Argentina
Wipro Technologies S.R.L	Romania
PT WT Indonesia	Indonesia
Wipro (Thailand) Co. Limited	Thailand
Rainbow Software LLC	Iraq
Cardinal Foreign Holdings S.á.r.l	Luxembourg
	Cardinal Foreign Holdings 2 S.á.r.l **
Wipro Networks Pte Limited	Luxembourg
	Singapore
Wipro (Dalian) Limited	China
Wipro Technologies SDN BHD	Malaysia
Wipro Chengdu Limited	China
Wipro Philippines, Inc.	Philippines
Wipro IT Services Bangladesh Limited	Bangladesh
Wipro HR Services India Private Limited	India
Encore Theme Technologies Private Limited *	India
Wipro VLSI Design Services India Private Limited (Formerly known as Eximius Design India Private Limited)	India
Capco Technologies Private Limited	India

\* All the above direct subsidiaries are 100% held by the Company except that the Company holds 96.68% of the equity securities of Encore Theme Technologies Private Limited, 66.67% of the equity securities of Wipro Arabia Co. Limited and 55% of the equity securities of Women's Business Park Technologies Limited are held by Wipro Arabia Co. Limited.

The remaining 3.32% equity securities of Encore Theme Technologies Private Limited will be acquired subject to and after receipt of certain regulatory approvals/confirmations.

# 51% of equity securities of Wipro Doha LLC are held by a local shareholder. However, the beneficial interest in these holdings is with the Company.

The Company controls 'The Wipro SA Broad Based Ownership Scheme Trust', 'Wipro SA Broad Based Ownership Scheme SPV (RF) (PTY) LTD incorporated in South Africa and Wipro Foundation in India.

\*\* Step Subsidiary details of Wipro Portugal S.A, Wipro do Brasil Tecnologia Ltda, HealthPlan Services, Inc, International TechneGroup Incorporated, Wipro Appirio, Inc., Wipro Designit Services, Inc., Wipro Weare4C UK Limited, Cardinal US Holdings, Inc., Cardinal Foreign Holdings 2 S.á.r.l, Ampion Holdings Pty Ltd, and LeanSwift Solutions, Inc. are as follows:





Subsidiaries	Subsidiaries	Subsidiaries	Country of Incorporation
Wipro Portugal S.A.	Wipro Technologies GmbH	Wipro IT Services Austria GmbH	Portugal
		Wipro Business Solutions GmbH (formerly known as Metro-nom GmbH) ***	Germany
Wipro do Brasil Tecnologia Ltda	Wipro Do Brasil Sistemetas De Informatica Ltd		Austria
	Wipro do Brasil Servicos Ltda		Germany
HealthPlan Services, Inc.	HealthPlan Services Insurance Agency, LLC		Brazil
International TechneGroup Incorporated			Brazil
	International TechneGroup Ltd.		Brazil
	ITI Proficiency Ltd		USA
	Wipro Italia S.R.L. (formerly known as International TechneGroup S.R.L.)		USA
		MechWorks S.R.L.	USA
Wipro Appirio, Inc.	Wipro Appirio, K.K. (formerly known as Appirio, K.K)		U.K.
	Topcoder, LLC.		Israel
	Wipro Appirio (Ireland) Limited		Italy
		Wipro Appirio UK Limited	Italy
Wipro Designit Services, Inc.	Wipro Designit Services Limited		USA
Wipro Weare4C UK Limited	CloudSocius DMCC		USA
Cardinal Foreign Holdings 2 S.á.r.l	Grove Holdings 2 S.á.r.l		Ireland
		The Capital Markets Company BV ***	U.K.
		Capco Brasil Serviços E Consultoria Em Informática Ltda	USA
Cardinal US Holdings, Inc.	The Capital Markets Company LLC		USA
	Capco Consulting Services LLC	CAPCO (US) LLC	USA
	Capco RISC Consulting LLC		USA
	ATOM Solutions LLC		USA
	NEOS Holdings LLC		USA
		NEOS LLC	USA
Ampion Holdings Pty Ltd	Ampion Pty Ltd	NEOS Software LLC	USA
		Crowsprint Pty Ltd	Australia
		Revolution IT Pty Ltd	Australia
		Iris Holdco Pty Ltd ***	Australia
LeanSwift Solutions, Inc.	LeanSwift Solutions, LLC		USA
	LeanSwift AB		USA
			Sweden

\*\*\* Step Subsidiary details of The Capital Markets Company BV, Wipro Business Solutions GmbH (formerly known as Metro-nom GmbH) and Iris Holdco Pty Ltd are as follows:

Subsidiaries	Subsidiaries	Subsidiaries	Country of Incorporation
The Capital Markets Company BV	Capco Belgium BV		Belgium
	The Capital Markets Company (UK) Ltd		Belgium
		Capco (UK) 1, Limited	UK
	The Capital Markets Company Limited		UK
		Capco (US) GP LLC ****	Canada
	The Capital Markets Company Limited		USA
		Capco Consulting Services (Guangzhou) Company Limited	Hong Kong
	The Capital Markets Company s.r.o		China
	The Capital Markets Company S.A.S		Slovakia
	Capco Poland sp. z.o.o		France
	The Capital Markets Company S.á.r.l		Poland
		Andrion AG	Switzerland
	The Capital Markets Company BV		Switzerland
	CapAfric Consulting (Pty) Ltd		Netherlands
	Capco Consulting Singapore Pte. Ltd		Netherlands
	The Capital Markets Company GmbH		South Africa
		Capco Austria GmbH	Singapore
	Capco Consultancy (Malaysia) Sdn. Bhd		Germany
	Capco Greece Single Member P.C		Austria
	Capco Consultancy (Thailand) Ltd		Malaysia
Wipro Business Solutions GmbH (formerly known as Metro-nom GmbH)			Greece
			Thailand
			Germany
	Wipro Technology Solutions S.R.L (formerly known as Metro Systems Romania S.R.L)		Romania
Iris Holdco Pty Ltd			
	Iris Bidco Pty Ltd		Australia
		Shelde Pty Ltd	Australia
			Australia

\*\*\*\* Step Subsidiary details of Capco (US) GP LLC is as follows:

Subsidiaries	Subsidiaries	Subsidiaries	Country of Incorporation
Capco (US) GP LLC			USA
	Capco (Canada) GP ULC		Canada

As at March 31, 2022, Wipro, LLC held 43.7% interest in Drivestream Inc, accounted for using the equity method.

The list of controlled trusts are:

Name of the entity	Country of incorporation
Wipro Equity Reward Trust	India
Wipro Foundation	India
Capco (Canada) LP@	Canada

@The Capital Markets Company Limited (Canada) and Capco (Canada) GP ULC act as Limited and General Partners, respectively.

The other related parties are:

Name of the related parties:	Nature
Azim Premji Foundation	Entity controlled by Promoters
Azim Premji Foundation for Development	Entity controlled by Promoters
Hasham Traders	Entity controlled by Promoters
Prazim Traders	Entity controlled by Promoters
Zash Traders	Entity controlled by Promoters
Hasham Investment and Trading Co. Pvt. Ltd	Entity controlled by Promoters
Azim Premji Philanthropic Initiatives Pvt. Ltd	Entity controlled by Promoters

Azim Premji Trust  
Wipro Enterprises (P) Limited  
Wipro GE Healthcare Private Limited

Entity controlled by Promoters  
Entity controlled by Promoters  
Joint Venture between Wipro Enterprises (P) Limited and General Electric

**Key management personnel**

Rishad A. Premji  
Thierry Delaporte  
Azim H. Premji

William Arthur Owens  
M.K. Sharma  
Ireena Vittal  
Dr. Patrick J. Ennis  
Patrick Dupuis  
Deepak M. Satwalekar  
Tulsi Naidu  
Jatin Pravinchandra Dalal

Chairman of the board (designated as “Executive chairman”)  
Chief Executive Officer and Managing Director  
Non-Executive non-Independent director (designated as “Founder Chairman”) (1)  
Independent Director  
Independent Director (2)  
Independent Director  
Independent Director  
Independent Director  
Independent Director (3)  
Chief Financial Officer

(1) Mr. Azim H. Premji is the ultimate controlling party.

(2) Mr. M.K. Sharma retired as Independent Director with effect from close of business hours on June 30, 2021.

(3) Ms. Tulsi Naidu was appointed as Independent Director with effect from July 1, 2021 for a term of five years.

**Relatives of key management personnel:**

—Yasmeen A. Premji

—Tariq A. Premji

The Company has the following related party transactions:

Transactions / balances	Entities controlled by Directors			Key Management Personnel		
	2020	2021	2022	2020	2021	2022
Sale of goods and services	₹ 43	₹ 171	₹ 182	₹ —	₹ —	₹ —
Assets purchased	741	423	158	—	—	—
Dividend	3,987	3,760	3,760	243	242	244
Buyback of shares	69,392	91,562	—	4,076	—	—
Rental income	45	50	3	—	—	—
Rent Paid	2	2	2	9	7	8
Others	119	44	49	—	—	—
<b>Key management personnel *</b>						
Remuneration and short-term benefits	₹ —	₹ —	₹ —	₹ 354	₹ 741	₹ 805
Other benefits	—	—	—	178	231	376
<b>Balance as at the year end</b>						
Receivables	₹ 94	₹ 241	₹ 198	₹ —	₹ —	₹ —
Payables	23	—	—	166	333	293

\* Post-employment benefits comprising compensated absences is not disclosed, as this is determined for the Company as a whole. Other benefits include ₹ 170, ₹ 219, and ₹ 368 as of March 31, 2020, 2021 and 2022, respectively towards amortization of Restricted Stock Units (“RSUs”) granted to them which vest over a period of time. This also includes RSU’s that will vest based on performance parameters of the Company.

All related party transactions were entered at an arm’s length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel, which may have a potential conflict with the interests of the Company at large.

**33. Commitments and contingencies**

**Capital commitments:** As at March 31, 2021 and 2022, the Company had committed to spend approximately ₹ 7,490 and ₹ 11,376 respectively, under agreements to purchase/ construct property and equipment. These amounts are net of capital advances paid in respect of these purchases.

**Guarantees:** As at March 31, 2021 and 2022, guarantees provided by banks on behalf of the Company to the Indian Government, customers and certain other agencies amount to approximately ₹ 17,128 and ₹ 17,094 respectively, as part of the bank line of credit.

**Contingencies and lawsuits:** The Company is subject to legal proceedings and claims resulting from tax assessment orders/ penalty notices issued under the Income-tax Act, 1961, which have arisen in the ordinary course of its business. Some of the claims involve complex issues and it is not possible to make a reasonable estimate of the expected financial effect, if any, that will result from ultimate resolution of such proceedings. However, 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.

The Company's assessments are completed for the years up to March 31, 2018. The Company has received demands on multiple tax issues. These claims are primarily arising out of denial of deduction under section 10A of the Income-tax Act, 1961 in respect of profit earned by the Company's undertaking in Software Technology Park at Bengaluru, the appeals filed against the said demand before the Appellate authorities have been allowed in favor of the Company by the second appellate authority for the years up to March 31, 2008 which either has been or may be contested by the Income tax authorities before the Hon'ble Supreme Court of India. Other claims relate to disallowance of tax benefits on profits earned from Software Technology Park and Special Economic Zone units, capitalization of research and development expenses, transfer pricing adjustments on intercompany / inter unit transactions and other issues.

Income tax claims against the Company amounting to ₹ 80,032 and ₹ 92,476 are not acknowledged as debt as at March 31, 2021 and 2022, respectively. These matters are pending before various Appellate Authorities and the management expects its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Company's financial position and results of operations.

The contingent liability in respect of disputed demands for excise duty, custom duty, sales tax and other matters amounting to ₹ 11,413 and ₹ 12,092 as of March 31, 2021 and 2022, respectively. However, the resolution of these disputed demands is not likely to have a material and adverse effect on the results of operations or the financial position of the Company.

The Hon'ble Supreme Court of India, through a ruling in February 2019, provided interpretation on the components of Salary on which the Company and its employees are to contribute towards Provident Fund under the Employee's Provident Fund Act. Based on the current evaluation, the Company believes it is not probable that certain components of Salary paid by the Company will be subject to contribution towards Provident Fund due to the Hon'ble Supreme Court order. The Company will continue to monitor and evaluate its position based on future events and developments.

#### **34. Segment information**

The Company is organized into the following operating segments: IT Services, IT Products and India State Run Enterprise segment ("ISRE").

**IT Services:** During the year ended March 31, 2021, in order to broad base our growth, the Company re-organized IT Services segment to four Strategic Market Units ("SMUs")—Americas 1, Americas 2, Europe and Asia Pacific Middle East Africa ("APMEA").

Americas 1 and Americas 2 are primarily organized by industry sector, while Europe and APMEA are organized by countries.

**Americas 1** includes the entire business of Latin America ("LATAM") and the following industry sectors in the United States of America: healthcare and medical devices, consumer goods and life sciences, retail, transportation and services, communications, media and information services, technology products and platforms. **Americas 2** includes the entire business in Canada and the following industry sectors in the United States of America: banking, financial services and insurance, manufacturing, hi-tech, energy and utilities. **Europe** consists of the United Kingdom and Ireland, Switzerland, Germany, Benelux, the Nordics and Southern Europe. **APMEA** consists of Australia and New Zealand, India, Middle East, South East Asia, Japan and Africa.

The corresponding information for the year ended March 31, 2020 have been re-stated to give effect to the above changes.

Revenue from each customer is attributed to the respective SMUs based on the location of the customer's primary buying center of such services. With respect to certain strategic global customers, revenue may be generated from multiple countries based on such customer's buying centers, but the total revenue related to these strategic global customers are attributed to a single SMU based on the geographical location of key decision makers.

Prior to the Company's re-organization of its IT services segment, the IT services segment was organized by seven industry verticals: Banking, Financial Services and Insurance ("BFSI"), Health Business unit ("Health BU"), Consumer Business unit ("CBU"), Energy, Natural Resources and Utilities ("ENU"), Manufacturing ("MFG"), Technology ("TECH") and Communications ("COMM").

Our IT Services segment provides a range of IT and IT enabled services which include digital strategy advisory, customer centric design, technology consulting, IT consulting, custom application design, development, re-engineering and maintenance, systems integration, package implementation, cloud and infrastructure services, business process services, cloud, mobility and analytics services, research and development and hardware and software design.

**IT Products:** The Company is a value-added reseller of security, packaged and SaaS 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.

**ISRE:** This segment consists of IT Services offerings to entities and/or departments owned or controlled by Government of India and/or any State Governments.

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 and operating income.

Assets and liabilities used in the Company’s business are not identified to any of the operating segments, as these are used interchangeably between segments. Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

Information on reportable segments for the year ended March 31, 2020 is as follows:

	IT Services					IT Products	ISRE	Reconciling Items	Total
	Americas 1	Americas 2	Europe	APMEA	Total				
Revenue	₹ 176,115	₹ 181,481	₹ 157,526	₹ 78,676	₹ 593,798	₹ 11,657	₹ 7,950	₹ (4)	₹ 613,401
Other operating income/(loss), net	—	—	—	—	1,144	—	—	—	1,144
Segment result	27,289	34,341	27,617	9,550	98,797	(323)	(1,849)	229	96,854
Unallocated					7,732	—	—	—	7,732
<b>Segment result total</b>					<b>₹ 107,673</b>	<b>₹ (323)</b>	<b>₹ (1,849)</b>	<b>₹ 229</b>	<b>₹ 105,730</b>
Finance expense									(7,328)
Finance and other income									24,081
Share of net profit/(loss) of associates accounted for using the equity method									29
<b>Profit before tax</b>									<b>₹ 122,512</b>
Income tax expense									(24,799)
<b>Profit for the year</b>									<b>₹ 97,713</b>
Depreciation, amortization and impairment									₹ 20,862

Information on reportable segments for the year ended March 31, 2021 is as follows:

	IT Services					IT Products	ISRE	Reconciling Items	Total
	Americas 1	Americas 2	Europe	APMEA	Total				
Revenue	₹ 178,091	₹ 179,821	₹ 165,441	₹ 82,462	₹ 605,815	₹ 7,685	₹ 8,912	₹ 13	₹ 622,425
Other operating income/(loss), net	—	—	—	—	(81)	—	—	—	(81)
Segment result	33,040	41,589	31,673	11,476	117,778	45	1,061	(903)	117,981
Unallocated					5,153	—	—	—	5,153
<b>Segment result total</b>					<b>₹ 122,850</b>	<b>₹ 45</b>	<b>₹ 1,061</b>	<b>₹ (903)</b>	<b>₹ 123,053</b>
Finance expense									(5,088)
Finance and other income									20,912
Share of net profit/(loss) of associates accounted for using the equity method									130
<b>Profit before tax</b>									<b>₹ 139,007</b>
Income tax expense									(30,345)
<b>Profit for the year</b>									<b>₹ 108,662</b>
Depreciation, amortization and impairment									₹ 27,656



Information on reportable segments for the year ended March 31, 2022 is as follows:

	IT Services					IT		Reconciling	
	Americas 1	Americas 2	Europe	APMEA	Total	Products	ISRE	Items	Total
Revenue	₹ 217,874	₹ 239,404	₹ 233,443	₹ 91,103	₹ 781,824	₹ 6,173	₹ 7,295	₹ (3)	₹ 795,289
Other operating income/(loss), net	—	—	—	—	2,186	—	—	—	2,186
Segment result	42,820	47,376	35,739	10,523	136,458	115	1,173	(80)	137,666
Unallocated					434	—	—	—	434
<b>Segment result total</b>					<b>₹ 139,078</b>	<b>₹ 115</b>	<b>₹ 1,173</b>	<b>₹ (80)</b>	<b>₹ 140,286</b>
Finance expense									(5,325)
Finance and other income									16,257
Share of net profit/(loss) of associates accounted for using the equity method									57
<b>Profit before tax</b>									<b>₹ 151,275</b>
Income tax expense									(28,946)
<b>Profit for the year</b>									<b>₹ 122,329</b>
Depreciation, amortization and impairment									₹ 30,911

Revenues from India, being Company's country of domicile, is ₹ 29,374, ₹ 27,156 and ₹ 25,939 for year ended March 31, 2020, 2021 and 2022 respectively.

Revenues from United States of America and United Kingdom contributed more than 10% of Company's total revenues as per table below:

	Year ended March 31,		
	2020	2021	2022
United States of America	₹ 338,490	₹ 336,009	₹ 427,021
United Kingdom	65,258	67,852	101,437
	<b>₹ 403,748</b>	<b>₹ 403,861</b>	<b>₹ 528,458</b>

No customer individually accounted for more than 10% of the revenues during the year ended March 31, 2020, 2021 and 2022.

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.

#### Notes:

- a) Effective beginning of fiscal year ended March 31, 2021, revenue from sale of traded cloud-based licenses is no longer reported in IT Services revenue and finance income on deferred consideration earned under total outsourcing contracts is not included in segment revenue. Further, for evaluating performance of the individual operating segments, stock compensation expense is allocated based on the accelerated amortization as per IFRS 2. Segment information for the year ended March 31, 2020 has been re-stated to give effect to these changes.
  - b) "Reconciling items" includes elimination of inter-segment transactions and other corporate activities.
  - c) Revenue from sale of Company owned intellectual properties is reported as part of IT Services revenues.
  - d) For the purpose of segment reporting, 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 consolidated statement of income).
  - e) During the year ended March 31, 2021, the Company has contributed ₹ 991 towards COVID-19 and is reported in Reconciling items.
  - f) Other operating income/(loss) of ₹ 1,144, ₹ (81) and ₹ 2,186 is included as part of IT Services segment result for the year ended March 31, 2020, 2021 and 2022, respectively. Refer to Note 26.
  - g) Segment results for the year ended March 31, 2021, are after considering the impact of impairment charge of ₹ 1,250 in Americas 1 and ₹ 192 in Europe. Further, an impairment charge of ₹ 674 for the year ended March 31, 2021 towards certain marketing-related intangible assets and software platform recognized on acquisitions, is allocated to all IT Services SMUs. The remaining impairment charge of ₹ 302 for the year ended March 31, 2021 is included under unallocated. Refer to Note 4, 6 and 25.
  - h) Segment results for year ended March 31, 2021, are after considering additional amortization of ₹ 795 in Americas 2 due to change in estimate of useful life of the customer-related intangibles in an earlier business combination. Refer to Note 6.
  - i) Segment results of IT Services segment are after recognition of share-based compensation expense ₹ 1,262, ₹ 2,897, and ₹ 4,164 for the year ended March 31, 2020, 2021 and 2022, respectively.
35. As part of a customer contract with Metro AG, the Company has acquired Metro-nom GmbH (currently known as Wipro Business Solutions GmbH) and Metro Systems Romania S.R.L (currently known as Wipro Technology Solutions S.R.L), the IT units of Metro AG in Germany and Romania, respectively, for a consideration of ₹ 5,096. Considering the terms and conditions of the agreement, the Company has concluded that this transaction does not meet the definition of Business under IFRS 3 "Business Combinations". The transaction was consummated on April 1, 2021. The fair value of net assets acquired aggregating to ₹ 4,691 is allocated to respective assets and liabilities. The excess of consideration paid, and net assets taken over is accounted as 'costs to obtain contract', which will be amortized over the tenure of the contract as reduction in revenues.
36. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stake holders which are under active consideration by the Ministry. Based on an initial assessment by the Company and its Indian subsidiaries, the additional impact on Provident Fund contributions by the Company and its Indian subsidiaries is not expected to be material, whereas, the likely additional impact on Gratuity liability / contributions by the Company and its Indian subsidiaries could be material. The Company and its Indian subsidiaries will complete their evaluation once the subject rules are notified and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**37. Events after the reporting period**

- a) On April 11, 2022, the Company acquired CAS Group.
- b) On May 20, 2022, the Company acquired Rizing.

Refer to Note 7 for additional details on acquisitions completed after March 31, 2022.

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

## Item 19. Exhibits

Exhibit Number	Exhibit Description	Incorporated by Reference				
		Form	File No.	Exhibit	Filing Date	Filed Herewith
1.1	<a href="#">Certificate of Incorporation of Wipro Limited, as amended</a>	F-1	333-46278	3.3	9/21/2000	
1.2	<a href="#">Memorandum of Association of Wipro Limited, as amended</a>	6-K	001-16139	99.2	2/28/2019	
1.3	<a href="#">Articles of Association of Wipro Limited, as amended</a>	6-K	001-16139	99.3	7/18/2019	
2.1	<a href="#">Form of Deposit Agreement (including as an exhibit, the form of American Depositary Receipt)</a>	F-6	333-218348	(a)(4)	5/30/2017	
2.2	<a href="#">Wipro's specimen certificate for equity shares</a>	F-1	333-46278	4.2	9/21/2000	
2.3	<a href="#">Description of Securities</a>	20-F	001-16139	2.3	6/9/2021	
4.1	<a href="#">1999 Employee Stock Option Plan (1999 Plan)</a>	F-1	333-46278	10.1	9/21/2000	
4.2	<a href="#">2000 Employee Stock Option Plan (2000 Plan)</a>	F-1	333-46278	10.2	9/21/2000	
4.3	<a href="#">Wipro Equity Reward Trust</a>	F-1	333-46278	10.3	9/21/2000	
4.4	<a href="#">2000 ADS Option Plan (2000 ADS Plan)</a>	20-F	001-16139	10.4	5/17/2004	
4.5	<a href="#">Amended and Restated Wipro Employee ADS Restricted Stock Unit Plan 2004 (WARSUP 2004 Plan)</a>	20-F	001-16139	4.5	5/26/2016	
4.6	<a href="#">Amended and Restated Wipro Employee Restricted Stock Unit Plan 2005 (WRSUP 2005 Plan)</a>	20-F	001-16139	4.10	5/26/2016	
4.7	<a href="#">Amended and Restated Wipro Employee Restricted Stock Unit Plan 2007 (WRSUP 2007 Plan)</a>	20-F	001-16139	4.11	5/26/2016	
4.8	<a href="#">Amendment No. 1 to 1999 Plan, 2000 Plan, 2000 ADS Plan, WRSUP 2004 Plan, WARSUP 2004 Plan and WRSUP 2005 Plan</a>	20-F	001-16139	99.5	5/30/2008	
4.9	<a href="#">Amendment No. 2 to 1999 plan, 2000 Plan, WRSUP 2004 Plan and WRSUP 2005 Plan</a>	20-F	001-16139	99.6	5/30/2008	
4.10	<a href="#">Amendment No. 3 to 2000 Plan</a>	20-F	001-16139	99.7	5/30/2008	
4.11	<a href="#">Form of Indemnification Agreement, as amended</a>	20-F	001-16139	10.5	5/17/2004	
4.12	<a href="#">Form of Agreement for Appointment/Re-appointment of Executive Directors</a>	20-F	001-16139	4.8	6/13/2005	

Exhibit Number	Exhibit Description	Incorporated by Reference				
		Form	File No.	Exhibit	Filing Date	Filed Herewith
4.13	<a href="#">Sample Letter of appointment to Non Executive Directors</a>	20-F	001-16139	4.9	6/13/2005	
8.1	<a href="#">List of Subsidiaries (incorporated by reference to Item 18 of this Annual Report on Form 20-F).</a>					X
12.1	<a href="#">Certification of Principal Executive Officer under Section 302 of the Sarbanes Oxley Act of 2002</a>					X
12.2	<a href="#">Certification of Principal Financial Officer under Section 302 of the Sarbanes Oxley Act of 2002</a>					X
13.1	<a href="#">Certification of Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, As adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002</a>					X
15.1	<a href="#">Consent of Independent Registered Public Accounting Firm</a>					X
15.2	<a href="#">Wipro's Ombuds process</a>	20-F	001-16139	99.4	6/9/2003	
17	<a href="#">Issuers of Guaranteed Securities</a>					X
101.INS	Inline XBRL Instance Document					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document					X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document					X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					X
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)					X

## 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

Date: June 8, 2022

/s/ Rishad A. Premji

Rishad A. Premji,  
Chairman

/s/ Jatin Pravinchandra Dalal

Jatin Pravinchandra Dalal, Chief Financial  
Officer

Wipro Limited  
Certification of Principal Executive Officer  
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Rishad A. Premji, certify that:

1. I have reviewed this Annual Report on Form 20-F of Wipro Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

(c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting, which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: June 8, 2022

/s/ Rishad A. Premji  
Rishad A. Premji  
Chairman  
(Principal Executive Officer)

Wipro Limited  
Certification of Principal Financial Officer  
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Jatin Pravinchandra Dalal, certify that:

1. I have reviewed this Annual Report on Form 20-F of Wipro Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

(c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting, which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: June 8, 2022

/s/ Jatin Pravinchandra Dalal  
Jatin Pravinchandra Dalal  
Chief Financial Officer  
(Principal Financial Officer)



Wipro Limited  
Certification of Principal Executive Officer and Principal Financial Officer  
Pursuant to 18 U.S.C. Section 1350,  
As adopted pursuant to  
Section 906 of the Sarbanes-Oxley Act of 2002

I, Rishad A. Premji, Chairman of Wipro Limited, hereinafter referred to as the Company, certify, pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (i) the Annual Report of the Company on Form 20-F for the fiscal year ended March 31, 2022, as filed with the Securities and Exchange Commission, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (ii) information contained in such Annual Report on Form 20-F fairly presents in all material respects the financial condition and results of operations of the Company.

/s/ Rishad A. Premji  
Rishad A. Premji  
Chairman  
(Principal Executive Officer)

I, Jatin Pravinchandra Dalal, Chief Financial Officer of Wipro Limited, hereinafter referred to as the Company, certify, pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (i) the Annual Report of the Company on Form 20-F for the fiscal year ended March 31, 2022, as filed with the Securities and Exchange Commission, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (ii) information contained in such Annual Report on Form 20-F fairly presents in all material respects the financial condition and results of operations of the Company.

/s/ Jatin Pravinchandra Dalal  
Jatin Pravinchandra Dalal  
Chief Financial Officer  
(Principal Financial Officer)

Date: June 8, 2022

**Consent of Independent Registered Public Accounting Firm**

The Board of Directors  
Wipro Limited:

We consent to the incorporation by reference in Registration Statement No. 333-123043 on Form S-8 of our reports dated June 8, 2022 relating to the consolidated financial statements of Wipro Limited and its subsidiaries (the “Company” or “Wipro Limited”) and the effectiveness of Wipro Limited’s internal control over financial reporting, appearing in the Annual Report on Form 20-F of Wipro Limited for the year ended March 31, 2022.

/s/ Deloitte Haskins & Sells LLP

Bengaluru, India

June 8, 2022

**Issuers of Guaranteed Securities**

The following securities issued by Wipro IT Services LLC, a wholly owned step-down subsidiary of Wipro Limited, are unconditionally and irrevocably guaranteed by Wipro Limited:

- 1.50% Senior Notes due 2026