



Investor 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 a minimum payout of 45%-50% of net income for a period of the trailing three years. There has been no change in our philosophy on shareholder return during the year ended March 31, 2024.

Our revenues and profits for the years ended March 31, 2023 and 2024 are provided below:

Wipro Limited and Subsidiaries

	Year ended March 31,		YoY change
	2023	2024	2024-23
	(₹ in million)		
Revenue ⁽¹⁾	909,348	897,943	(1.25)%
Cost of revenue	(645,446)	(631,497)	(2.16)%
Gross profit	263,902	266,446	0.96%
Selling and marketing expenses	(65,157)	(69,972)	7.39%
General and administrative expenses	(59,139)	(60,375)	2.09%
Operating income	139,606	136,099	(2.51)%
Profit attributable to equity holders	113,500	110,452	(2.69)%
As a percentage of revenue:			
Selling and marketing expenses	7.17%	7.79%	62 bps
General and administrative expenses	6.50%	6.72%	22 bps
Gross margin	29.02%	29.67%	65 bps
Operating margin	15.35%	15.16%	(19) bps

⁽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 ₹ 904,876 million and ₹ 897,603 million for the years ended March 31, 2023 and 2024, respectively.



Revenue: Our revenue decreased by 1.25%.

Our IT Services segment revenue decreased by 1.05%. The decline was largely due to challenges in the macroeconomic environment and the resulting impact on customers' discretionary spending and lower foreign exchange gains during the year ended March 31, 2024. During fiscal 2024, the revenue for Americas 1 grew, while revenue from all other SMUs declined.

Revenue of the IT Products segment declined by 31.75%, 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 system integration engagements.

Cost of Revenues: In absolute terms, cost of revenues decreased by 2.16%, primarily due to a decrease in sub-contracting costs as a percentage of IT Services revenue from 12.50% for the year ended March 31, 2023 to 11.32% for the year ended March 31, 2024 and enhanced operational efficiencies, and a decrease in the depreciation charge for our property, plant and equipment and right-of-use assets. Further improvement in key operational parameters, such as utilization rates for our employees and higher offshoring also contributed to the decrease in cost of revenues. These decreases have been partially offset by an increase in employee compensation due to the impact of salary increases and the employee restructuring, and an increase in facility expenses as an increased number of employees return to office.

As a result of the foregoing factors, our gross profit as a percentage of our total revenue increased by 65 basis points ('bps').

Selling and Marketing Expenses: Our selling and marketing expenses as a percentage of total revenue increased from 7.17% for the year ended March 31, 2023 to 7.79% for the year ended March 31, 2024. In absolute terms, selling and marketing expenses increased by 7.39% primarily because of the increase in employee compensation due to the impact of salary increases and the employee restructuring. Amortization of intangibles during the year ended March 31, 2024 increased due to a change in our useful life estimate for customer-related intangibles in an earlier business combination, which was partially offset by lower amortization of intangibles due to their useful life ending in fiscal year 2023.

General and Administrative Expenses: Our general and administrative expenses as a percentage of revenue increased from 6.50% for the year ended March 31, 2023 to 6.72% for the year ended March 31, 2024. In absolute terms, general and administrative expenses increased by 2.09%, primarily due to the increase in employee compensation due to the impact of salary increases, one-time costs related to outgoing CEO and employee restructuring, an increase in lifetime expected credit loss, and an increase in travel expenses. These increases have been partially offset by the gain on sale of immovable property and the decrease in staff recruitment fees due to a lower number of employees hired during the year ended March 31, 2024.

Operating income: As a result of the foregoing factors, our operating income decreased by 2.51%, from ₹139,606 million for the year ended March 31, 2023 to ₹136,099 million for the year ended March 31, 2024, and our results from operating activities as a percentage of revenue (operating margin) decreased by 19 bps from 15.35% to 15.16%.

Finance Expenses: Our finance expenses increased from ₹10,077 million for the year ended March 31, 2023 to ₹12,552 million for the year ended March 31, 2024. The increase in interest rates and incremental borrowings during the year ended March 31, 2024 primarily resulted in higher finance expense.

Finance and Other Income: Our finance and other income increased from ₹18,185 million for the year ended March 31, 2023 to ₹23,896 million for the year ended March 31, 2024. The increase is primarily due to an increase in net gain from investments by ₹3,122 million and an increase in interest income by ₹2,589 million during the year ended March 31, 2024 compared to the year ended March 31, 2023.

Income Taxes: Our income taxes increased by ₹2,097 million from ₹33,992 million for the year ended March 31, 2023 to ₹36,089 million for the year ended March 31, 2024. Our effective tax rate has increased from 23.02% for the year ended March 31, 2023 to 24.52% for the year ended March 31, 2024. This increase is primarily due to a reduction in tax benefits in India for the year ended March 31, 2024.

Profit Attributable to Equity Holders: As a result of the foregoing factors, our profit attributable to equity holders decreased by ₹3,048 million or 2.69%, from ₹113,500 million for the year ended March 31, 2023 to ₹110,452 million for the year ended March 31, 2024.



Analysis of Revenue and Results by Segment

Operating Results of the IT Services Segment are as follows:

	Year ended March 31,		Year over Year
	2023	2024	change
	(₹ in millions)		2024-23
Revenue ⁽¹⁾	903,301	893,816	(1.05)%
Cost of revenue	(638,398)	(623,205)	(2.38)%
Gross profit	264,903	270,611	2.15%
Selling and marketing expenses	(64,476)	(68,352)	6.01%
General and administrative expenses	(59,203)	(58,063)	(1.93)%
Segment results	141,224	144,196	2.10%
As a percentage of revenue:			
Selling and marketing expenses	7.14%	7.65%	51bps
General and administrative expenses	6.55%	6.50%	(5)bps
Gross margins	29.33%	30.28%	95bps
Segment results	15.63%	16.13%	50bps

⁽¹⁾ For the purpose of segment reporting, we have included the impact of exchange rate fluctuations gains/(losses), net amounting to ₹4,472 million and ₹340 million for the years ended March 31, 2023 and 2024, respectively, in revenue.

IT Services Results of Operations for the Years Ended March 31, 2024 and 2023

The IT Services segment revenue decreased by 1.05% for the year ended March 31, 2024 compared to our revenue for the year ended March 31, 2023. The decline was largely due to challenges in the macroeconomic environment and the resulting impact on customers' discretionary spending and lower foreign exchange gains during the year ended March 31, 2024. During fiscal 2024, the revenue for Americas 1 grew, while revenue from all other SMUs declined.

Our gross profit as a percentage of our revenue from our IT Services segment increased by 95 bps, primarily due to decrease in sub-contracting costs as a percentage of IT Services revenue from 12.50% for the year ended March 31, 2023 to 11.32% for the year ended March 31, 2024 and enhanced operational efficiencies, and a decrease in the depreciation charge for our property, plant and equipment and right-of-use assets of ₹1,388 million. Further improvement in key operational parameters, such as utilization rates for our employees and higher offshoring also contributed to a decline in cost of revenues. These decreases have been partially offset by an increase in employee compensation due to the impact of salary increases, and an increase in facility expenses of ₹1,294 million as an increased number of employees return to office.

Selling and marketing expenses as a percentage of revenue from our IT Services segment increased from 7.14% for the year ended March 31, 2023 to 7.65% for the year ended March 31, 2024. In absolute terms, selling and marketing expenses increased by ₹3,876 million primarily because of the increase in employee compensation of ₹3,455 million due to the impact of salary increases. Amortization of intangibles increased by ₹2,807 million during the year ended March 31, 2024, due to a change in our useful life estimate of customer-related intangibles in an earlier business combination, which was partially offset by the lower amortization of intangibles by ₹1,391 million due to their useful life ending in fiscal year 2023.





General and administrative expenses as a percentage of revenue from our IT Services segment decreased marginally from 6.55% for the year ended March 31, 2023 to 6.50% for the year ended March 31, 2024. In absolute terms, general and administrative expenses decreased by ₹1,140 million, primarily due to a decrease in staff recruitment fees of ₹2,753 million owing to a lower number of employees hired during the year ended March 31, 2024, and a gain on sale of immovable property of ₹2,357 million. These decreases have been partially offset by an increase

in employee compensation costs of ₹2,224 million due to the impact of salary increases, an increase in lifetime expected credit loss of ₹1,116 million and an increase in travel expenses of ₹973 million.

As a result of the above, segment results as a percentage of our revenue from our IT Services segment increased by 50 bps, from 15.63% to 16.13%. In absolute terms, the segment results of our IT Services segment increased by 2.10%.

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

Strategic Market Units

	Year ended March 31,			
	2023		2024	
	Percentage of revenues	Percentage of Segment	Percentage of revenues	Percentage of Segment
Americas 1	28.9%	36.5%	30.0%	41.2%
Americas 2	30.8%	42.3%	30.2%	41.0%
Europe	28.5%	26.7%	28.4%	23.1%
APMEA	11.8%	7.5%	11.4%	8.8%
Unallocated	NA	(13.0)%	NA	(14.1)%

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

Sector	Year ended March 31,	
	2023	2024
Banking, Financial Services and Insurance	35.0%	33.4%
Consumer	18.9%	18.8%
Health	11.7%	13.2%
Energy, Natural Resources and Utilities	11.5%	11.8%
Technology	11.3%	11.7%
Manufacturing	6.9%	6.9%
Communications	4.7%	4.2%

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 (\$)	Number of clients in	
	Year ended March 31,	
	2023	2024
1-3 million	330	332
3-5 million	121	108
5-50 million	262	256
50-100 million	34	23
> 100 million	19	22
Total > 1 million	766	741

The largest client of our IT Services business accounted for 3.2% and 3.0% of revenues from the IT Services business as a whole for the years ended March 31, 2023 and 2024, respectively. The five largest clients of our IT Services business accounted for 12.9% and 13.0% of our total IT Services revenues for the years ended March 31, 2023 and 2024, respectively.



Guided Outlook Versus Actuals

Performance Against Guidance

Historically, we have followed a practice of providing constant currency revenue guidance for our largest business segment, namely, IT Services in dollar terms. The guidance is provided at the release of every quarterly earnings when revenue outlook for the succeeding quarter is shared. The following table presents the performance of IT Services Revenue against outlook previously communicated for the past eight quarters. Our revenue performance has been within the guidance range in all the quarters of fiscal year 2023 and 2024.

Quarter	Guidance (\$ Mn)	Revenue - Guided Currency (\$ Mn)	Revenue - Reported Currency (\$ Mn)
Q4'24 (Jan - Mar 2024)	2615 - 2669	2,648.9	2,657.4
Q3'24 (Oct - Dec 2023)	2,617-2,672	2,668.6	2,656.1
Q2'24 (Jul - Sep 2023)	2,722-2,805	2,723.3	2,713.3
Q1'24 (Apr - Jun 2023)	2,753-2,811	2,759.0	2,778.5
Q4'23 (Jan - Mar 2023)	2,785-2,831	2,785.4	2,823.0
Q3'23 (Oct - Dec 2022)	2,811-2,853	2,815.7	2,803.5
Q2'23 (Jul - Sep 2022)	2,817-2,872	2,848.2	2,797.7
Q1'23 (Apr - Jun 2022)	2,748-2,803	2,779.4	2,735.5



Operating Results of the IT Products Segment are as follows:

	Year ended March 31,		YoY change
	2023	2024	2024-23
	(₹ in millions)		
Revenue ⁽¹⁾	6,047	4,127	(31.75)%
Cost of revenue	(6,262)	(4,442)	(29.06)%
Gross profit/(loss)	(215)	(315)	46.51%
Selling and marketing expenses	(124)	(89)	(28.23)%
General and administrative (expenses)/credit	163	33	(79.75)%
Segment results	(176)	(371)	110.80%
As a percentage of revenue:			
Selling and marketing expenses	2.05%	2.16%	11bps
General and administrative expenses/(credit)	(2.70)%	(0.80)%	190bps
Gross margins	(3.56)%	(7.63)%	(407)bps
Segment results	(2.91)%	(8.99)%	(608)bps

⁽¹⁾ For the purpose of segment reporting, we have included the impact of exchange rate fluctuations amounting to ₹ Nil for each of the years ended March 31, 2023 and 2024, respectively, in revenue.

IT Products Results of Operations for the Years Ended March 31, 2024 and 2023

Our revenue from the IT Products segment decreased by 31.75% for the year ended March 31, 2024 compared to our

revenue for the year ended March 31, 2023. The decrease 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 system integration engagements.

Our gross profit as a percentage of our IT Products segment revenue decreased by 407 bps. In absolute terms, gross profit decreased by ₹100 million primarily due



to a decrease in revenue and certain low margin projects executed during the year ended March 31, 2024.

Selling and marketing expenses as a percentage of revenue from our IT Products segment increased marginally from 2.05% for the year ended March 31, 2023 to 2.16% for the year ended March 31, 2024. In absolute terms, selling and marketing expenses decreased by ₹35 million.

General and administrative expenses as a percentage of revenue from our IT Products segment increased from (2.70)% for the year ended March 31, 2023 to (0.80)% for the year ended March 31, 2024. In absolute terms, credit in general and administrative expenses decreased by ₹130 million primarily due to higher write-back in lifetime expected credit loss during the year ended March 31, 2023, which was due to collection of overdue accounts receivable.

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:

	Year ended March 31,		YoY change
	2023	2024	2024-23
	(₹ in millions)		
Net cash generated from / (used in):			
Operating activities	130,601	176,216	45,615
Investing activities	(84,065)	11,680	95,745
Financing activities	(60,881)	(182,567)	(121,686)
Net change in cash and cash equivalents	(14,345)	5,329	19,674
Effect of exchange rate changes on cash and cash equivalents	2,373	(239)	(2,612)

As of March 31, 2024, we had cash and cash equivalent and short-term investments of ₹408,124 million. Cash and cash equivalent and short-term investments, net of loans and borrowings, was ₹266,658 million.

In addition, we have unutilized credit lines in various currencies aggregating to ₹63,658 million as of March 31, 2024. 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, 2024 increased by ₹45,615 million while profit for the year decreased by ₹2,544 million during the same period. The increase in cash generated from operating activities is primarily due to decreased working

capital requirements, contributed by net decrease in accounts receivables, unbilled receivables and contract assets, other assets and contract liabilities. Further, income taxes paid, net of refund decreased by ₹14,858 million during the year ended March 31, 2024.

Reconciling Items

'Reconciling Items' for the year ended March 31, 2024 includes restructuring costs of ₹6,814 million consisting of cash expenditures for employee severance related costs and ₹921 million towards employee costs related to the outgoing CEO. 'Reconciling Items' for the year ended March 31, 2023 includes restructuring costs of ₹1,355 million consisting of cash expenditures for employee severance related costs.

Cash generated from investing activities for the year ended March 31, 2024 was ₹11,680 million. Cash is primarily generated from interest received amounting to ₹20,111 million, sale of property, plant and equipment amounting to ₹4,022 million and sale of investments (net of purchase) amounting to ₹3,529 million. We also purchased property, plant and equipment amounting to ₹10,510 million, which was primarily driven by the growth strategy of the Company. This was partially offset by outflow of ₹5,291 million for business acquisitions consummated during the year ended March 31, 2024.



Cash used in financing activities for the year ended March 31, 2024 was ₹182,567 million. This is primarily on account of outflow for an equity share buyback (including tax on buyback and transactions costs related to buyback) amounting to ₹145,173 million, payment of dividend of ₹5,218 million, payment of lease liabilities of ₹10,060 million, interest and finance expenses of ₹10,456 million and net outflow on repayment of loans and borrowings of ₹10,057 million.

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.

As of March 31, 2024, we had contractual commitments of ₹10,322 million (\$123.85 million) related to capital expenditures on construction or expansion of software development facilities and ₹35,438 million (\$425.22 million) related to other purchase obligations. Plans to construct or expand our software development facilities are determined by our business requirements.

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. 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, 2023 and 2024 is not material.

Our liquidity and capital requirements are affected by many factors, some of which are based on the normal ongoing operations of our businesses and some of which arise from uncertainties related to global economies and the markets that we target for our services. We cannot be certain that additional financing, if needed, will be available on favorable terms, if at all.

As of March 31, 2023 and 2024, our cash and cash equivalents were primarily held in U.S. Dollars, Indian Rupees, Canadian Dollars, Euros, Australian Dollars, Saudi Riyals, Pound Sterling and Brazilian Real.



Shareholder Returns

Cash Dividends: The cash dividend paid for the year ended March 31, 2023 was ₹1 per equity share. The cash dividend paid during the year ended March 31, 2024 was an interim dividend of ₹1 per equity share. The Board recommended the adoption of the interim dividend of ₹1 per equity share as the final dividend for the year ended March 31, 2024.

Buyback of equity shares: During the year ended March 31, 2024, we concluded the buyback of 269,662,921

equity shares at a price of ₹445 (\$5.34) per equity share, as approved by the Board of Directors on April 27, 2023 and by shareholders by resolution dated June 1, 2023. This has resulted in a total cash outflow of ₹145,173 million (\$1,741.9 million) including a tax on the buyback of ₹24,783 million (\$297.4 million) and transaction costs related to the buyback of ₹390 million (\$4.7 million). As a result of the buyback, our share capital has been reduced by ₹539 million (\$6.5 million).

Key Ratios

Particulars	FY23	FY24	YoY Change	Favorable/ Adverse
Revenue in ₹ million	909,348	897,943	(1.3%)	A
IT Services Operating Margin	15.6%	16.1%	0.5%	F
Net Income Margin	12.5%	12.3%	(0.2%)	A
Earnings per share in ₹	20.73	20.89	0.8%	F
Price Earning Ratio (times) ¹	17.6	23.0	5.36	F
Return on Network ²	15.8%	14.5%	(1.3%)	A
Current Ratio (times)	2.5	2.6	0.11	F
Debtors Turnover (times)	7.1	7.5	0.36	F
Free Cash Flow as % of Net Income ³	102.3%	152.7%	50.4%	F
Debt-equity (times)	0.19	0.19	(0.00)	F
Interest Coverage Ratio (times) ⁴	13.9	10.8	(3.01)	A

F Favourable A Adverse

REASONS FOR SIGNIFICANT CHANGES:

- Price earnings ratio is computed as Market share price as on 31st March of respective years by Earnings per Share. The increase in PE ratio is due to the increase in share price by 31% at year end.
- Return on Net Worth is computed as Net Profit by Average Net Worth. The decrease in the Net Income from ₹113,500 million in FY23 to ₹110,452 million in FY24 has resulted in contraction of Return on Net Worth.
- Our Free Cash Flow is computed as operating cash flow less due to improved collection, lower tax payouts and proceeds from sale of property.
- Interest Coverage Ratio is computed as operating profit by interest expenses. Our interest expenses increased from ₹10,077 million in FY23 to ₹12,552 million in FY24. The increase in interest rates and incremental borrowings during the year ended March 31, 2024, primarily resulted in higher finance expense.