Transforming to a new paradigm

WIPRO
Applying Thought

Annual Report 2008 - 09


11

Contents

* Certain statements in this Annual Report are based on management's current expectation & forecasts and may be considered as forward-looking statements. There are a number of risks, uncertainties and other factors that could cause actual results to be materially different from management's current expectation and forecasts.

Our Annual Report is printed on 100% recycled paper as certified by the UK based National Association of Paper Merchants (NAPM)

Who we are

We are a leading provider of Information Technology, Business Process Outsourcing and Product Engineering Services to customers globally. We provide integrated business, technology and process solutions on a global delivery platform. We employ 100,000 people across 56 nationalities.

Services we offer:

Consulting
Package Implementation
Application Development & Maintenance
Testing Services
Technology Infrastructure
Business Process Outsourcing
Product Engineering

Industries we provide solutions to

Telecom Service Providers
Financial Services
Retail
Energy & Utilities
Manufacturing
Techology, Media & Transportation Services

Geographies we operate in

Americas
Europe
Japan
India
Middle East
Asia Pacific

Our Leadership Status

- We are partner to industry leaders with 863 active global clients as on March 2009 and 191 Global 500 / Fortune 1000 clients
- Our global footprint spans across 35 countries
- We have 53 Global Development Centres and over 50 Centres of Excellence
- Wipro is rated as India's number one Green Brand and among the Top 5 Global Green brands in the world by Greenpeace's "Guide to Greener Electronics" ranking

In addition, we are also leaders in Consumer Care and Lighting and Infrastructure Engineering businesses.

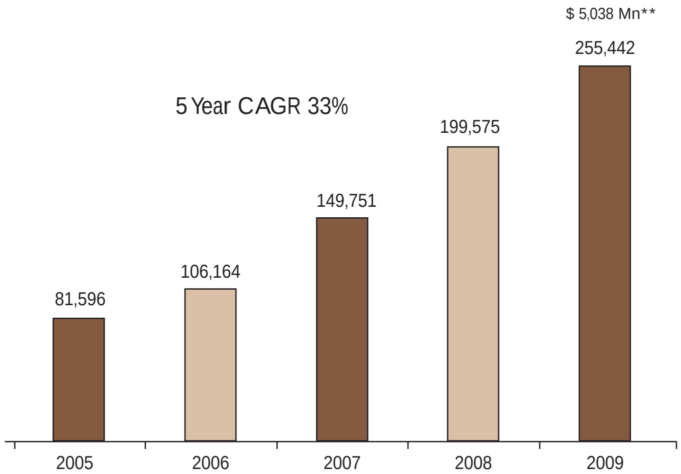
Financial Highlights

(Rs. in Mn except per share data)

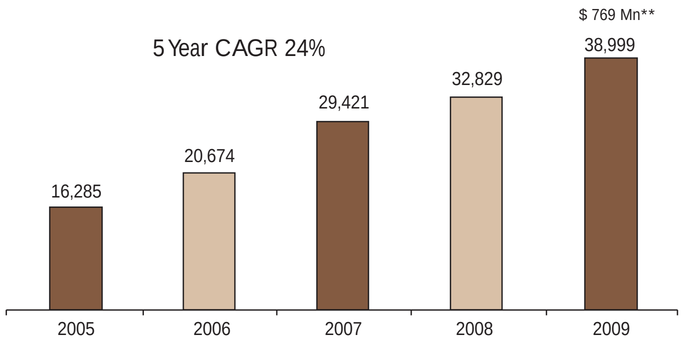
	March 31st	
	2009	2008
Financial Performance		
Revenue	255,442	199,575
Profit before tax	45,196	37,070
Provision for tax	6,460	4,550
Profit after tax before minority interest/ share in earnings of associates	38,736	32,520
Profit after tax	38,999	32,829
Earnings per share:		
Basic	26.81	22.62
Diluted	26.72	22.51
Operating cashflows	36,099	23,059
Capital expenditures, net	(16,388)	(13,747)
Dividends payout (including distribution tax)	6,856	10,254
Rate of dividend	200%	300%
Financial Position		
Cash and investments	69,793	54,449
Goodwill	56,521	42,209
Net fixed assets (including CWIP)	52,563	41,583
Net working capital	61,314	61,077
Capital employed	193,428	161,920
Networth	136,284	116,914
Debt	56,892	44,850
Market Capitalisation*	600,245	773,255

*Based on closing price in NSE on June 12 2009

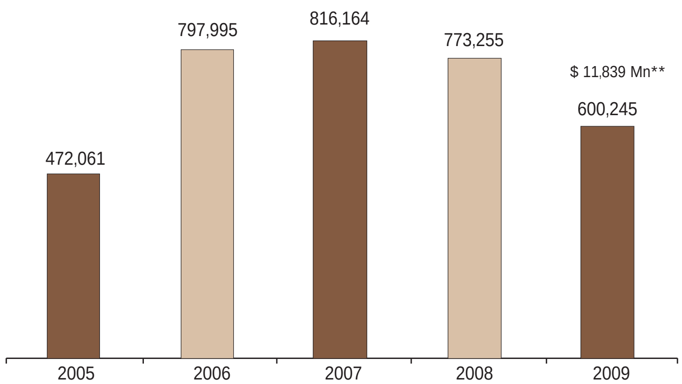
Revenue in Rs. Mn



Profit after tax in Rs. Mn



Market Capitalisation in Rs. Mn



**Based on exchange rate as on March 31 2009 - Rs. 50.70/USD

Dear Fellow Stakeholders,

The world, at lightning speed, continues to globalize and become interdependent. For those among us who had not quite appreciated the depth of this change, the 2008 global economic crisis drove home this message forcefully. Initially the experts believed that India and China, the two fastest growing and the most populous economies in the world, would be to a large extent insulated from this meltdown. As the subsequent events have shown, this belief was erroneous.

The IT industry was no exception to this meltdown. Customers across all geographies and industries have been impacted and have moved quickly to re-prioritize and, re-focus on short-term survival resulting in a much lower growth for the industry than seen in recent years. Although the industry faced the brunt of budget freezes and cost cutting, leading to spending thaws in the short-run, the situation does appear to have stabilized in the last three months. We believe strongly in the fundamentals and the resilience of the IT industry and are confident that it will rebound from these short-term set-backs, better and stronger, as it did successfully from the after-math of 2001.

Despite this unprecedented and challenging environment, Wipro has performed admirably for the year 2008-09:

- 28% YoY growth in Revenues at Rs 255 billion
- 25% YoY growth in Profit Before Interest and Taxes at Rs 44 billion
- 18.5% YoY revenue growth in US dollar, 22% growth in constant currency and 31% growth in Indian Rupee in our IT Services business
- 19% YoY Profit After Tax growth. Profit for the year was Rs.39 billion
- Cash flow from Operations was Rs.36 billion, which is 92% of the Profit After Tax.

We have performed better than our guidance in every quarter, which further reinforces the strength and diversity of our business model and our ability to grasp customer needs. Our strategy to limit over-exposure to a single Customer or a Vertical or a Service Line or Geography has proved a great advantage. This further reinforces our view that a business portfolio should deliver in both good and bad times and not just in one environment. Our relative performance was at the top end of the industry. Our other businesses, namely Consumer Care and Infrastructure Engineering, also were industry front-runners, leading growth and gaining market share across various segments.

The year will also be remembered for several path-breaking deals in the Indian domestic IT space, where Wipro conclusively cemented its leadership position in several industry Verticals, partnering with leading Indian customers in their transformation to take on current developments. We believe our continued focus and investments in building capabilities are bearing fruit, and the domestic IT spends are on an upward trajectory, as Indian companies continue to increase spends aggressively.

Tough times are good times

Today, the cyclical nature of the global economy is a reality we have learnt to live with. Year 2008 saw the end of the expansion phase. The impact was visible in the real economy, the financial markets and the policy options available to the regulators. As the global economic growth gradually slowed to near zero levels, the hardest hit were the advanced economies.

The end of Y2K saw the Financial Services customers expand

Board of Directors & Leadership Team

Dr. Ashok Ganguly
Director, Wipro
Chairman
Firstsource Solutions Limited
Former Director
Unilever PLC & British Airways PLC

B C Prabhakar
Director, Wipro
Practising Lawyer

Bill Owens
Director, Wipro
Former CEO & Vice Chairman
Nortel Networks Corporation

Dr. Jagdish N Sheth
Director, Wipro
Professor in Marketing
Emory University, USA

N Vaghul
Director, Wipro
Former Chairman, ICICI Bank Ltd.

P M Sinha
Director, Wipro
Chairman,
Bata India Limited

Girish S Paranjpe
Joint CEO, IT Business &
Executive Director

Suresh Vaswani
Joint CEO, IT Business &
Executive Director

Suresh Senapaty
Chief Financial Officer &
Executive Director

Pratik Kumar
Executive Vice President
Human Resources, Brand &
Corporate Communication

Vineet Agrawal
President, Wipro Consumer Care
& Lighting

Anurag Behar
Chief Executive
Wipro Infrastructure Engineering

their Offshore footprint. Likewise, the economic slowdown of the early 2000s led other industries to embrace Outsourcing in a big way. Our ability to grow aggressively during these years, has demonstrated our ability to re-invent ourselves and invest for the future, while continuing to serve the immediate concerns of our customers. In a similar way, the current phase, too, requires us to reinvent and address the new and immediate challenges that these tough times pose to our customers, as we judiciously invest for better times ahead.

Our Strategy for the year 2009-10 builds on the three key choices we have made– one, Enhancing Customer Value; two, Enhancing Operational Efficiencies and three, Embracing Green.

Three Key Choices

1. Enhancing Customer Value - More for More

Growth markets have customers asking 'more for more'. They see opportunities ahead and have access to resources. Looking at a longer time horizon, they are willing to invest in building strong businesses. As the economic environment changes, the customer mindset shifts to a shorter timeframe, and they want 'same for less' and some are even willing to settle at 'less for less'. It is in this context, that we have made the choice to provide customers with 'More for More'. We will provide them with more value and in return, place favorably for a bigger share of their wallet.

We will deliver value to our Customers through a comprehensive portfolio of Services that meets the entire lifecycle needs of a business. Consulting, Business Process Outsourcing, Package Implementation, Bespoke Applications, Testing and Technology Infrastructure Services can be provided individually to a customer, or provide the customer with a Solution that answers their business challenge, as we are increasingly doing. The difference between providing a suite of services and offering a Business Solution lies in the domain expertise, revenue models and risk management systems along with overall program management. While the Customers gain by having access to a scalable, variable cost model with a best in class solution, we benefit by building stronger, deeper and long lasting partnerships with our Customers.

Our effort in building Global Program –Transformational Outsourcing capabilities will stand us in good stead even when the economy changes gears and customer budgets start to grow. The advent of emerging technologies like Cloud Computing and SaaS (Software as a Service) will make configurable, multi-tenant and scalable IT infrastructure not just a potential option, but a critical technological necessity. Customers who have moved to Solution oriented relationships from buying individual service offerings, will be better positioned to harvest the benefits of new technologies.

2. Enhancing Operational Efficiency - More for Less

Global Delivery Model drives execution efficiency. Today, as Global Service Providers adopt 'Offshore led Outsourcing,' the leaders need to constantly innovate. Our innovations in Flex Delivery and Shared Services Delivery models for Software maintenance and support, puts us ahead in this effort.

We are conscious that we need to invest in, develop and refine innovative delivery models. We need to do both, optimize the service blend of Offshore, Nearshore, and Onsite services as well as enhance the productivity of each and every team member. That's the only way to ensure that our customers get 'More for Less'.

3. Embrace Green - Less for Less

The current economic crisis has sharply brought back the focus on cost efficiency . Cost reduction or containment is another variant of the 'Refuse, Reduce and Reuse' approach which the Green strategy emphasizes. Energy for powering and cooling the assets is a significant portion of operating expense for organizations. Our initiative of Green IT aims to reduce and optimize energy consumption in using IT assets, especially data centers that account for the bulk of energy consumption. While data centers account for a major share of energy consumption amongst the IT assets, globally IT assets, by themselves, form only a minor portion of the GHG emissions. The larger portion is outside the ambit of IT assets.

Today , almost every part of human activity or industry is touched by IT services. This provides us a huge opportunity to use IT solutions to enable, track, report and control GHG emissions. It allows us to build, design and manage smart grids, green supply chains and build simulation models that can enable a greener world.

For us, Green IT and IT for Green are not mere Service Lines providing financial returns, it is also our contribution to the survival of our planet. This is one area where we want to draw less from the environment and give back solutions which are less energy intensive. Our desire is to contribute to 'maximum well being' with minimum of consumption.

Two Essentials Values

Our strategy is adaptable and changes with the environment, but we have a strong and non negotiable foundation built over the last six decades. Our strategy walks on the two strong legs - our respect for the individual and a transparent Governance system.

Today, we have almost a 100,000 strong workforce in Wipro. As we grow larger, it is critical that we have an institutionalized process to ensure that the individual is respected and that our transparent governance system is not compromised Our well articulated Value System, The Spirit of Wipro, is communicated extensively to all the employees and other stakeholders. We ensure that our Value system goes beyond talk, by taking periodic feedback from employees on its adherence. We complement it with a vibrant and effective Ombudsprocess. This process provides a simple, confidential and trusted route, to report any perceived violations or misalignments to our articulated Values due to any organizational or employee action.

Any Ombusdsprocess is only as effective as the openness with which it is embraced by the organization and its employees. The vibrancy of our system and the action taken status is reported in our Sustainability Report 2008-09, published in March 2009.

One Goal

Wipro is a six decade young, strong and learning organization. Our rich experiences are embedded in our organizational systems, policies and processes. We have consistently reinvented ourselves by keeping the needs of our customers at the center and working towards creating value for all our other stakeholders.

As we start the year, we are conscious of our goal and the means to achieve it: for Wipro to be a Young, Strong and Learning organization, we need to deliver value to all our stakeholders, value that is superior on a relative basis and significant on an absolute scale. We have done it in the past and will better it.

Regards,

Azim Premji
Chairman

June 16, 2009

From timber to melody

The making of a violin is an art. An art that is seemingly terse in the various stages, but in the end, culminates with a melody that cannot be replicated.

The emperor of all violins is the Stradivarius. A name so revered that hundreds of imitators, scientists and researchers have not been able to find out the real clue behind the magic. Even after 200 years of the death of its founder.

It is the metamorphosis that a simple piece of wood undergoes, under the watchful eye of a master craftsman… that music so unrelentingly beautiful emanates from its wells as the bow glides across the strings.

2008-09 was the year of changing times. A year of unpredictability and unprecedented challenges. For Wipro, this was a period of transformation. Transformation to a new paradigm. In a year of global turmoil, we remained firmly focused on three key themes: Be absolutely customer centric, Drive operational efficiency with intense rigor and Invest in right opportunities.

Spirit of Wipro, our values - Intensity to Win, Act with Sensitivity and Unyielding Integrity continued to be our guiding force in this journey.

In the following pages we present before you our endeavour of making melody from timber.




Incubation:
The Tune is in the Air

It is with great love and care that the craftsman chooses his piece of wood for the great metamorphosis. By using his trusted tools, experience and dexterity, he nurtures the fibers of the wood. This serves to maximise the splendour of the music that comes from it.

Being the most critical part of the process, incubation is a time for forward looking decisions and introspective reflections. The choices made now will have far reaching repercussions in the days to come.

Economies globally were plagued with tapering demand in the year 2008-09. Our customers faced significant cost pressure and felt a greater need for driving productivity. In this scenario we provided our customers with a clear solution that helps their business. We deployed our solutions, tools and experience to help our customers realize better cost and service optimizations.

Our initiatives in this direction include:

1. Using Cutting-edge technology: Technology is a significant enabler during times as these. Our emerging technology based services, SaaS (Software as a Service) and Cloud Computing provide better value proposition to customers.

   SaaS offers software as an online, dynamic, need-based service instead of a onetime, static, bulk purchase. Daily operations, maintenance and upgrades are among the basic services included. With SaaS our clients can reduce their total expenses and eliminate the need for capital expenditure. It is a cost effective out-of-the-box solution that is less expensive and saves time compared to a custom built solution.

   Cloud Computing helps customers access their IT hardware and software on the Internet as and when required. It is a completely flexible solution that allows a customer to scale up or down their IT assets based on their need. As customers do not own IT infrastructure it reduces their capital expenditure. They only pay for the resources they use. It also helps customers roll out new services rapidly as they bypass the IT infrastructure setup time.

2. New service lines: To address business challenges of customers we created a benefits-based solution portfolio. We identified five areas:

- WipMap for IT transformation
- WipSave for reducing IT costs
- WipMerge for IT integration post merger & acquisition (M&A)
- WipOptima for IT assets rationalization
- WipMigrate for vendor migration.

Our portfolio address our client needs in the areas of cost savings, asset rationalization, IT integration in M&A scenario and transformation. Cost savings are achieved through a series of practical and implementable initiatives that enhance efficiency and productivity. Taking a comprehensive view of business processes, applications, infrastructure, IT processes and tools, we help our clients transform their IT organization through a multi-year roadmap. The journey begins with traditional outsourcing and gradually adds more innovation and transformation as the engagement matures.

These service lines differentiate us in the customers eye; enhance our brand and help drive market share.
It demonstrates the breadth of our capability.

<table>
<tr><th>Offering</th><th>Applicability</th><th>How and What it takes to deliver</th></tr>
<tr><td>WipOptima</td><td>- Redundant and overlapping application functionalities
- Legacy systems with technology risk
- Lack of compliance with Enterprise Architecture standards
- Low use / no use applications and underlying infrastructure</td><td rowspan="4">1. Perform an initial diagnostic to identify suspect areas / potential opportunities
2. Perform a detailed assessment to define the target state, recommend key initiatives to get there and size the business case
3. Design target state and draw implementation roadmap for all key initiatives
4. Plan and implement all steps needed to attain target state across Process, Technology, Applications or Operations areas
5. Plug in our proven methodologies, best practices, accelerators and / or IP from in-house / alliance sources</td></tr>
<tr><td>WipMerge</td><td>- Post M&A IT integration situations where corporate applications or business applications need to be integrated / consolidated / rationalized into the target state</td></tr>
<tr><td>WipSave
(and WipDecomm)</td><td>- Under utilized or unutilized IT assets and scope for optimization
- Low IT productivity or process maturity and potential for improvements
- Maxed out labor arbitrage relationships and under leveraged partner capabilities</td></tr>
<tr><td>WipMap
(and WipMigrate)</td><td>- Large, multi-year, multi-tower, global outsourcing opportunities
- Scope for Year on Year improvements and reducing Total Cost of Ownership
- Scope to manage end business processes along with underlying IT systems
- Transfer of responsibilities from another vendor to Wipro in rapid timeframes</td></tr>
</table>

3. Global Delivery Organization: Global Integrated Delivery Model is our initiative to enhance operational excellence. This helps us in consistent delivery across the globe and builds fungible competency, and improves productivity. We derive value from efficiencies and make nonlinear benefits a reality.

   Since launch, we have made significant headway on people utilization, without compromising our ability to fulfill demand surges. Our unified competency framework fosters a culture of continuous learning and fungibility of skills among all our employees.

   We are expanding our global reach with strong presence in near-shore centers to provide capabilities with specialized skills aligned with customers' business needs.

   To us nonlinearity is a critical business lever. Nonlinearity is about increasing benefits with little or no change in effort in project implementation and in essence cut the link between revenues and headcount. We apply this in all our charters right from go-to-market strategy to resource allocation. The objective is to share the benefits of nonlinearity with all our stake holders.

4. Ecological Sustainability: In 2007-08 we formally commenced our journey towards ecological sustainability. Eco-eye is our concerted corporation-wide initiative to transform the way we do business & engage all our stakeholders.

Our ecological sustainability initiative has five themes:

i. Be an ecological surplus organisation: Built around ecological sustainability on four key dimensions, energy, water, waste and biodiversity with the long term objective of creating an ecologically surplus organisation.

ii. Business investments: We believe ecological and social sustainability will create the big business opportunities of the 21st century. We are creating an integrated portfolio of customer offerings built on a 'One Wipro' model that offers solutions across the spectrum - consulting, renewable energy, water, lighting, Green IT and IT for Green.

iii. Beyond Wipro: We are working actively in extending the sphere of activity among interested Wipro employees through Eco-eye employee chapters. We plan to expand the initiative deeper to our suppliers, customers, partner network, communities, and to take an active part in advocacy to realize this goal.

iv. Transparent reporting: For any major initiative to be successful the efforts expended need to be measured and a periodic stock-take helps calibrate the future plans of action. We have adopted GRI framework of reporting. We published our first Sustainability Report in 2008-09.

v. Risk planning and mitigation: Our risk management team focuses on following the developments in the study of the climate change and its impact on business. We are also adopting an approach by which we act continuously to mitigate the outcomes of such risks.

Focus Area	Goal
Energy	To reduce our Green House Gas (GHG) emissions to 2.5 tons per employee by 2015 (Baseline measure of 4.45 tons per employee in 2007-08)
Water	To reduce our water footprint per employee by 5% every year (Baseline measure of 44 liters of fresh water per employee per day in 2007-08) To replenish the water withdrawn from aquifers, by investing in rainwater harvesting & aquifer charging processes To conserve local water resources by working closely with local communities around our major campuses
Waste	To recycle waste internally to the maximum feasible extent. For the remaining, to ensure that it is processed safely. This will apply to all categories of waste-organic, inorganic, electronic and packaging. By 2013, we will ensure that not more than 5% of our total waste ends up in the landfills.
Biodiversity	To ensure all our new campuses are designed to preserve local biodiversity. To convert 5 major existing campuses into biodiversity spots by 2012

Adaptation: Shaping the Melody

The craftsman then shapes and polishes the wood to breathe life into it. He skillfully applies coat after coat of protective layers to make the wood glow. This ensures that the violin not only lasts centuries, but also improves upon its harmonics as the days go by.

Across the organizational spectrum, this adaptation of talent, strategy and goals to an ever changing paradigm is the need of the hour. Adaptation is a process that undoubtedly ensures future growth, stability and success.




2008-09 witnessed change and uncertainty, it was necessary to adapt to uncertain times without losing focus of the future. Just like the violin that not only lasts centuries but also improves with age, our initiatives with regards to Innovation and Talent Management in particular address this need. They are the foundation for a strong, differentiated Wipro of the future.

Our focus in Research and Development is to strengthen our portfolio of:

- Centers of Excellence
- Solution Accelerators
- Software Engineering Tools & Methodologies

In 2008-09 we incubated Applied Research Group to investigate & analyse impact of technology in earlier stage of adoption lifecycle. We have chosen Enterprise Information Management as one of the current area of focus in Applied Research.

Centers of Excellence (CoE)
CoEs incubate new practices for business growth by creating competencies in emerging technologies & industry applications. To enhance focus, select technologies are identified like SoA (Service Oriented Architecture), SaaS (Software as a Service), Virtualization, Unified Communication, Next Gen Web, Mobility, Business Analytics and Green IT.

Solution Accelerators
Compressing the time to use is critical for both our customers and our customers' customers. To enable this we continued to invest in reusable IP's/assets (components, tools, frameworks) to accelerate the implementation of solutions in customer engagements. Industry solution accelerators are customized to specific industry segments, while our functional and technology solution accelerators are used across industry domains. We solve a clearly defined business problem and provide definitive outcome for the client in the form of productivity gain or cost saving. Our solutions are repeatable and over 70% reusable.

We have also invested in innovative revenue models that target outcome and insulate our customers from our cost bases. Flex Delivery for applications like SAP and CIGMA for Integrated Application Management are a few illustrations of this investment.

We have over 1500 consultants actively engaged in solution development, solution accelerators across labs and CoE.

Software Engineering Tools & Methodologies
We continued to invest in in-house development of software engineering tools to improve productivity and quality. Our portfolio includes Wipro Style, Deep Check, Wipro Accelerator, Wipro Unit Test and Wipro Code Checker.

We filed for 13 patents and the process of patent grant was completed for one patent in the year 2008-09.

Talent Management during challenging times
Our people drive our business. They determine our success, performance and profitability. Our Values define our relationship with our employees. Our Values: Respect for the individual and Being Thoughtful and Responsible are the crux of our Talent Engagement and Development process.

We have built a high performance work culture and have invested in world class learning programmes. In 2008-09 these were further strengthened. Our initiatives across talent transformation and talent engagement are:

Talent Transformation:
We intervene at various stages of an employee's journey right from the time they join us from campus to their transformation as a consultant. Our programmes that aid our employees in their transformation journey include:

- "Learning in a Box" provides learning components which helps recruits utilize their free time effectively, enhances their productivity upon joining and helps reduce induction cycle time and cost by 30%.

- "Assessment for business results" launched to help the young employees chart a technology growth and support our business ramp up. We assessed 45000 employees in 2008-09.

- PM Academy is a six month intervention program to help the project managers develop business perspectives, understand the big picture and have business acumen that will enable them to demonstrate high degree of professionalism and competence at their workplace.

- ACCELERATE is a program providing international certifications, builds all round behavioral competencies by increasing personal effectiveness, redefining one's way of thinking and enabling one to present one's thoughts and ideas to different audiences to achieve maximum impact.

- The Open Group Architecture Framework (TOGAF) certification program enables an enterprise architect to gain in confidence as they get a complete process dimension towards architecting.

- Technology Labs helps employees build competency on cutting edge technology even before it hits the market. These labs enable learning around cutting-edge technology products and tools.

- Academy for Customer Excellence (ACE) brings into sharp focus the multi-faceted role of a senior manager today and their opportunity to make a significant difference to the customer. The program blends world class content from Harvard Business School Publishing with the rich experience of Harvard certified Wipro facilitators.

Talent Transformation Life Cycle
From Campus to Consultant

Program	Description	Employees
Induction Project Readiness Program	10 weeks program comprising 16 different streams for fresh recruits	10,000
WASE Wipro Academy of Software Excellence	MS Program with Birla Institute of Technology & Science (BITS) (Learn while you earn)	5000
FMP Future Manager Program	Behavioral competencies for aspiring Managers	600
PM Academy	6 months program for Project Management Capability	500
Tech Ladder	Creating Architects and Technical Consultants	1000
ACE Academy of Customer Excellence	Harvard Business School Publishing co-branded certification Program for Managers	350
PGSEM	2 year Post Graduate Software Engineering Management Program with IIM Bangalore	20

Over 4000 employees learn every day

Only Indian IT Services Company to win American Society of Training & Development award for 5 successive years

ASTD BEST AWARD WINNER 2004-2008

Talent Engagement
We provide our employees an opportunity to use their time and resources in productive pursuits. We launched two programs - Rejuve & Enrich. These programs allow our employees to use their time to expand their horizon(s), professionally and personally thereby preparing them for a more rewarding future.

Wipro has built a reputation for fairness and meritocracy. In an effort to further encourage diversity amongst our workforce, we launched Women of Wipro (WoW) with a charter to build a sustainable and growing network that mentors women leaders, enables a culture of environmental sensitivity, contributes to business growth and development of society. Women of Wipro is built on the three pillars of empathy, empowerment and engagement.




Transformation:
The Harmony Shines Through

Like all great relationships, the rapport between the violinist and his instrument starts off with tiny steps and finally reaches fruition with rapturous audiences. It is this transformation that completes the process of metamorphosis.

The end result of innumerable insights, calculated decisions and assiduous goal-oriented thinking is transformation. This transformational excellence puts us at a position of strength in our industry.

In over six decades of our existence there have been several instances of winning customer respect and trust. None exemplifies this as clearly as winning it in a difficult economic scenario. In 2008-09 our customers trusted us with several transformational deals. Despite the economic decline, we won many large strategic clients, and have deepened our presence in existing clients by effectively cross-selling and expanding into new business streams. In this winning streak we would like to highlight a few wins that are transformational in nature.

- Origin
  One of our customers in Australia, Origin Energy , selected Wipro as its preferred partner for the transformation of its retail business. Wipro's SAP expertise will be deployed to develop an integrated billing and customer management system as well as other back office support systems for Origin's retail business. To support Origin's needs, we are fast-tracking our plans to establish a development centre in Adelaide, complementing our existing facilities in Sydney and Melbourne.

Energy & Utilities Team won the *Best Large Deal Award* for the year

- Aircel
  Our Indian customer, Aircel, awarded us a total outsourcing contract to handle their infrastructure end to end. We have taken over their team and IT assets, in return delivering business benefits. We are not just looking at their current operations, but consulting with them on the company's future needs. Their trust is in our ability to manage their IT eco - system optimally considering the emerging technology trends.

- Morrisons
  Morrisons are one of the leading grocery organizations in the UK and recently won the Retail Week "Best retailer" award for the second year running. We signed a multi million deal for a three year Oracle Business Transformation Programme. This is one of our biggest wins in Europe. This deal is particularly important as it touches all parts of the business and includes transformational change aspects like program management, solution integrity, business change, training and communications.

- Employees State Insurance Corporation (ESIC)
  ESIC in India awarded its project to improve healthcare facilities to Wipro. This multi-year project targets improving healthcare services to its beneficiaries by providing online facilities to employers and insured people for registration, payment of premium and disbursement of cash benefits. Covering more than ten million subscribers and their family members located across the length and breadth of India, this is a challenging assignment not just from a technology perspective but also from the ability to make a difference to Indian society.

Despite challenging market conditions, we witnessed a steady addition of customers across industries and geographies. During the year we added more than 100 new customers.

We continue to focus on investing in right opportunities, especially in geographies like India, Australia, New Zealand, Middle East and China. Our comprehensive portfolio and best of breed solution make us the partner of choice for customers in these markets. On one hand, we leverage our global domain and industry expertise to enable Indian customers in their transformational efforts; while on the other hand, our global customers are able to reap the benefits of the richness of innovation arising out of our work in emerging markets. These have enabled us win large, transformational deals.

The bedrock of all our initiatives is the deep commitment to execution and organisational excellence driven by the Wipro Way, our quality excellence standard, and to the Spirit of Wipro, which every Wiproite demonstrates in action every day.

Enterprise Application Services Team won the *Best Operational Efficiency Award* for the year

Good Citizenship

Spirit of Wipro drives our pursuit of responsible citizenship. It's at our core - Acting with Sensitivity by being Thoughtful and Responsible.

Ecological sustainability is one dimension of our responsible citizenship, the other key dimension is contributing to societal development. We see education as the fundamental enabler of sustainable social change. **Wipro Applying Thought in Schools** and **Mission10X** are our programmes in education. **Wipro Cares** is our community initiative focused on marginalised communities in our immediate neighborhood.

In **Wipro Applying Thought in Schools**, we work in school reform projects with schools across the country. Our projects are of varying nature ranging from individual urban private schools to a block of government schools. In this process we are also building a community of social organisations working in education reform, building collective capability in all areas in education and advocating the cause of good education.

Over the years we have worked with 22 partner organisations in over 45 programs and directly impacted more than 1100 schools. Currently this partner eco-system has around 30 social organisations. Last year we have initiated collaboration with 3 new organisations: CEVA (Center for Education and Voluntary Action, Chandigarh), ATREE (Ashoka Trust for Research in Ecology and Environment), Tulika Publications bringing in rich new capabilities in theater, ecology and bio-diversity to the field of education.

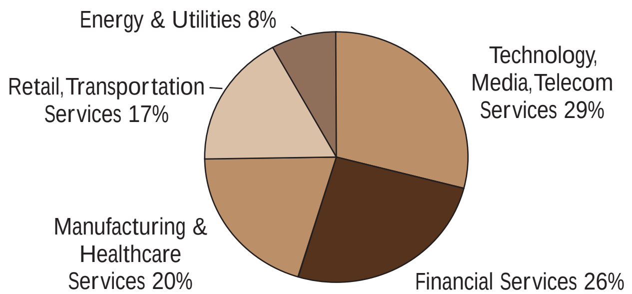
Through **Mission10X** we are involved in improving the employability of engineering graduates. Since its beginning a year ago, Mission10X has so far covered 264 engineering colleges and 3167 faculty members in Andhra Pradesh, Uttar Pradesh, Karnataka, Orissa, Maharashtra, Kerala, Tamil Nadu, Pondicherry and Delhi. As envisaged, with uninterrupted support and immense conviction of all involved stakeholders, Mission10X's endeavor to empower 10,000 faculty members by September 2010 will soon be a reality.

Wipro Cares' objective is to support the developmental needs of marginalised communities in those cities and towns where Wipro has a large presence, rehabilitate communities overcome natural calamities and offer Wiproites the opportunity to engage meaningfully with local communities.

Business Unit Performance

Business Composition

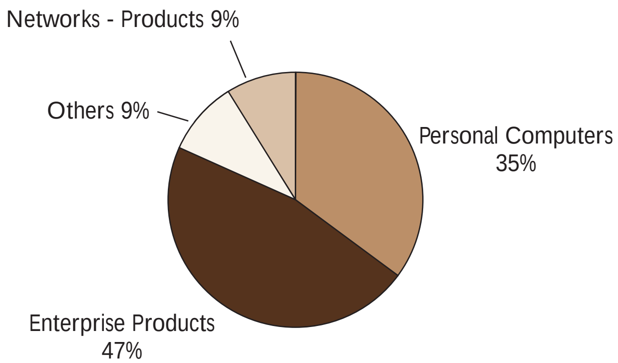
IT Services Business



In Rs. Mn		
Description	2009	2008
Revenue	191,661	146,626
PBIT	40,323	31,290
Operating Margin	21.0%	21.3%
Capital Employed*	119,997	93,969
ROCE*	39%	44%

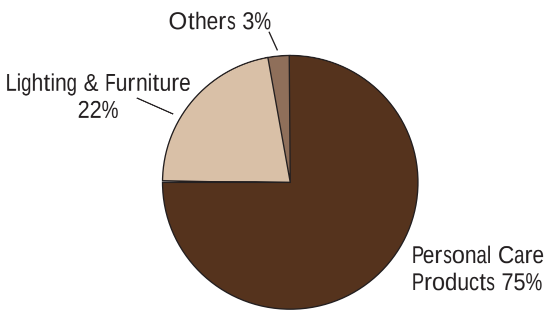
*IT Services & IT Products

IT Products Business



In Rs. Mn		
Description	2009	2008
Revenue	34,552	26,400
PBIT	1,481	1,227
Operating Margin	4.3%	4.6%

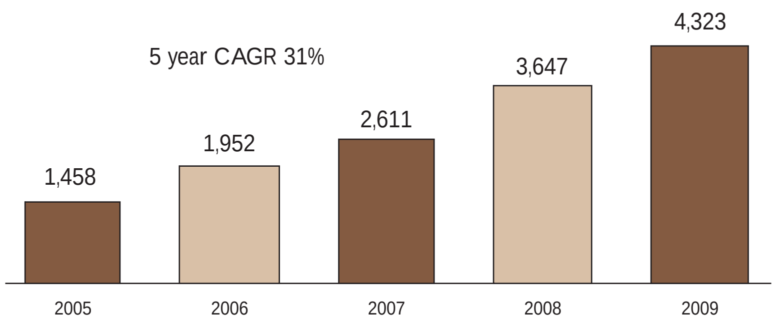
Consumer Care & Lighting Business



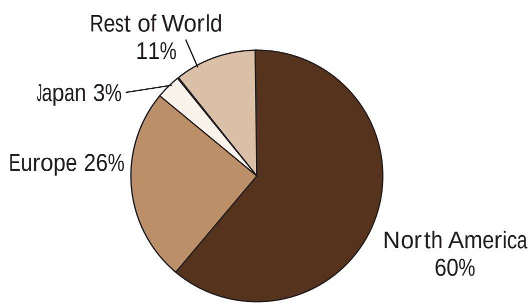
In Rs. Mn		
Description	2009	2008
Revenue	20,830	15,207
PBIT	2,548	1,900
Operating Margin	12.2%	12.5%
Capital Employed	18,689	17,292
ROCE	14%	19%

IT Services

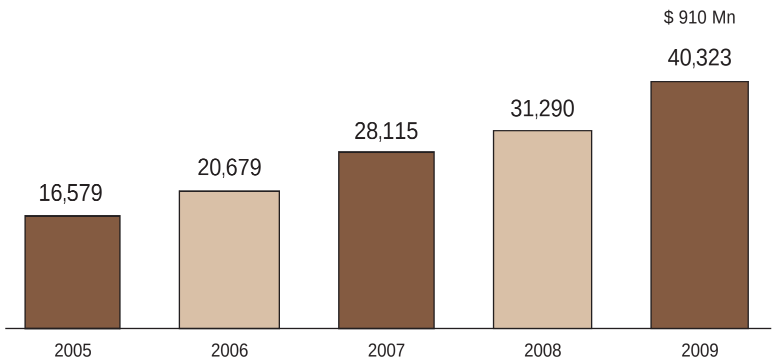
Revenue in USD Mn



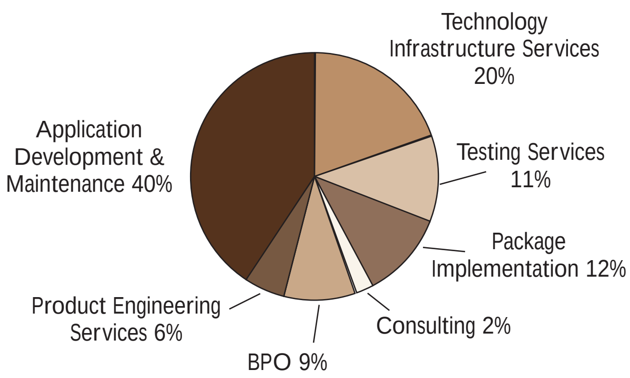
Revenue Mix Geographical Distribution



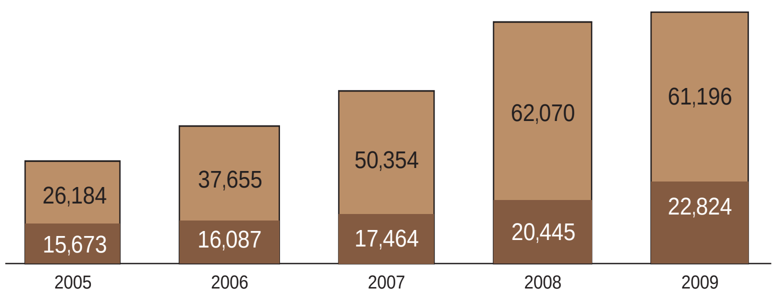
PBIT in Rs. Mn



Service Line Wise Distribution

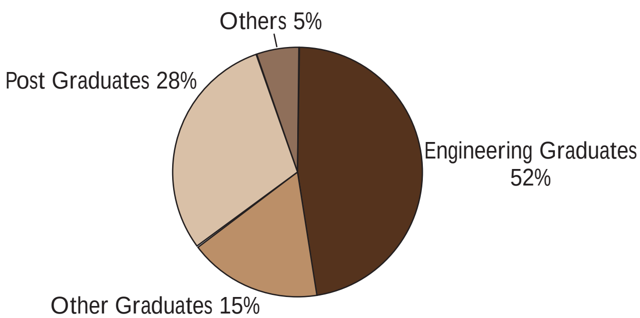


Employees*



*Excludes subsidiaries, and Indian IT Operations

Employee Mix**



**Employee mix excludes subsidiaries, Indian IT & BPO

Risk Management Initiatives

Change the changeable, accept the unchangeable, and remove yourself from the unacceptable. - Denis Waitley

Environment

We will remember 2008-09 as a traumatic period that saw several events unfold at an astonishing pace leaving organizations, societies and even nations severely scarred.

Over the past year enormous efforts have been demanded and invested by organizations to manage the consequences of an unprecedented economic crisis, address people safety concerns and reinforce stakeholder confidence on corporate governance.

Sustainability risks associated with the environment pose the gravest dangers to humanity. Organizations are being increasingly challenged to contemplate, articulate and fulfill their commitments towards sustainability.

Risk Management System

The formal Risk Management system in Wipro has completed 4 years and has evolved to achieve enhanced business alignment and value.

Stakeholder Expectations

Risk management expectations of key stakeholders are highlighted below

Stakeholder	Key Expectations
Customers	• Pro-Active Communication • Contractual Compliance • No business disruptions
Shareholders Investors Insurers	• No negative surprises • Reputation enhancement • Organisation Sustainability
Board, Top Management	• Risk factored decisions • Mitigation assurance • Red-flags & probable issues
Business and Operations Leadership	• Robust processes • Early Warning mechanisms • Crisis Handling
Employees	• Transparent processes • Communication • Safety & Security

Risk Management vision and objectives at a strategic level are aligned to the stakeholder expectations.

Roles & Responsibilities

Risk Management roles are assigned and executed at various levels in the organization.

Level	Roles & Responsibilities
Board and Audit Committee	a) Set Strategic Directions b) Review Risk Management Policies c) Monitor Risk exposures and mitigation status.
Top Management	a) Review the risk implications of Strategic decisions. b) Create Risk Management Environment & structure. c) Provide assurance to the Board on the effectiveness of the Risk Management & Compliance systems.
Chief Risk Officer (CRO)	a) Provide Re-Assurance to Audit Committee, Customer, Investors on Risk Management. b) Partner Business in Growth by Risk factored decisions. c) Implement risk management system to cover risk identification to mitigation.
Business Unit (BU) Risk Leaders	a) Execute Risk management practices & models within the BU. b) Report Risk Profile of the BU. c) Build a risk aware culture through appropriate Training & Awareness efforts.

Wipro Top Risks Approach

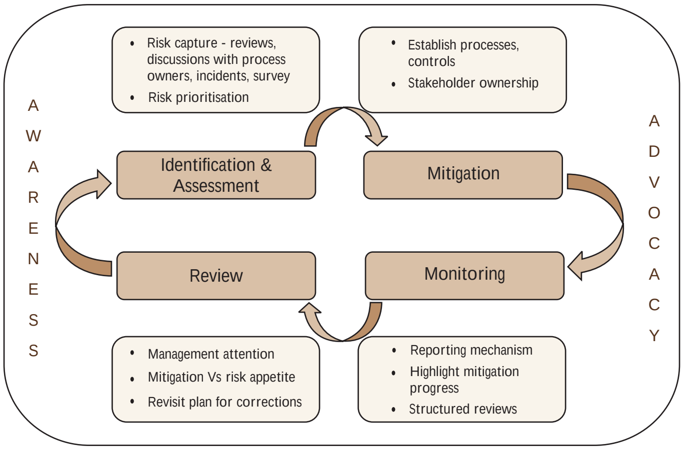
Wipro has adopted an integrated approach towards risk management that mandates identification and mitigation of risks linked to key business priorities by aligning business strategy with the corresponding risks.

While this provides a 'top down' approach towards distilling of major risks, there is a complementary process that allows rolling up of risks 'from the ground'.

Wipro firmly believes in disseminating 'risk awareness' across all levels through multi-layered training programs ensuring all managers and executives are 'risk conscious'.

The process is Risk Aware Risk Conscious Risk Alert, to enable business leaders to take risk factored decisions and optimize risk-rewards.

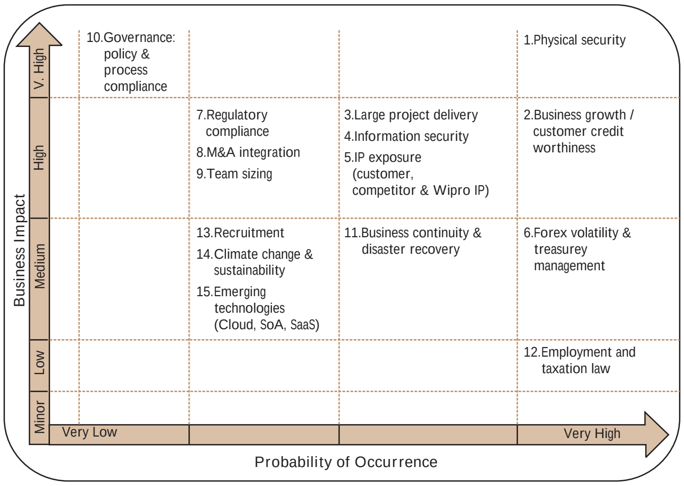
Risk Management Approach



The identification and analysis covers risks related to strategy, operations, reporting or compliance in line with the COSO framework.

Wipro Top risks are reviewed quarterly by the Audit Committee of the Board of Directors.

Wipro Top Risks



Key Risk Management Activities of the year

Enterprise wide risk management (ERM) in Wipro has progressed to ensure a holistic, consistent and comprehensive alignment of business strategy and risk management.

Large Project Risk Management - Expanded model spanning the entire lifecycle of large engagements.The program has enabled to manage and optimise risks related to deal, bid terms, customer credit worthiness, compliance requirements and service level capabilities in complex engagements.

Employee Engagement - Multi-layered approach to disseminate risk management and compliance awareness at all levels of the organization.

All entry level employees are trained on key risk and compliance areas such as Information security, code of business conduct & ethics.

Senior Managers are trained through workshops covering enterprise risk management practices Intellectual Property guidelines including Data Privacy and Business Continuity Planning.

Intellectual Property Risk - Highest order of importance is attached to protect against intellectual property exposures.

Information security compliance program has been extended to provide customer re-assurance on information security, intellectual property and data privacy.

Sustainability Risk - A formal mechanism of assessing ecological risks was undertaken.The risks that are being addressed in first phase are: i) climate change ii) water scarcity and iii) e-waste.

Wipro is pro-active in addressing both the threats and opportunities that have emerged on account of climate change.

As part of the "Business Continuity Planning" framework, a broad range of risk management procedures, processes and mitigation steps have been put in place.

Way Forward

The here and now situation presents an unprecdented combination of the economic and ecological crises together. Needless to say the demands are for organizations to make tough choices that favor long-term benefits while optimizing achievement of short-term gains. Continued focus on increased profitability, should be accompanied with efforts to cater to the need to be more environmentally friendly and socially responsible.

Wipro firmly believes that this is an opportune moment to commit energies towards managing risks in these transformed times.

The challenge today is the need for a framework that embraces environmental and social responsibility along with profits. If not adequately met this could become a significant risk that would cause stakeholders to question the long-term viability of a company.

Wipro ERM sees a tremendous opportunity to contribute to overall management strategy by implementing sound sustainability risk management practices. Such practices can decrease sustainability risk costs, augment competitive positions, protect reputation and improve bottom line.

In the coming years Wipro would accelerate its efforts to increasingly consider triple bottom line dimensions in its Risk Management Framework to strengthen its commitment to embrace sustainability.

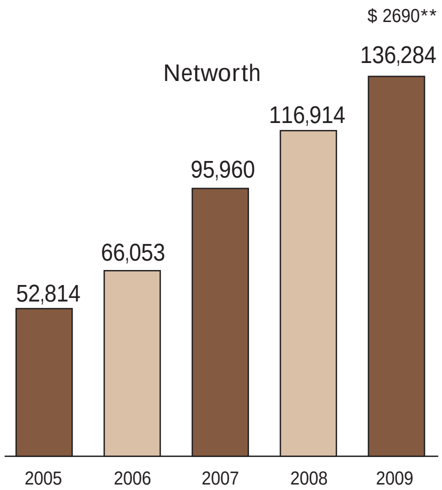
Spirit of Wipro ERM
Risk Management driving Assurance & Peace of Mind • For the customer • For the management • For the other stakeholders Going beyond statutory & regulatory requirements.

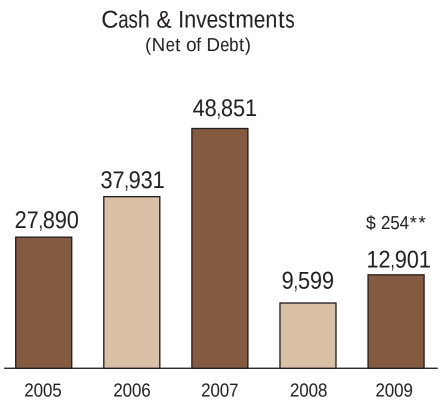
Historical Performance for Five Years

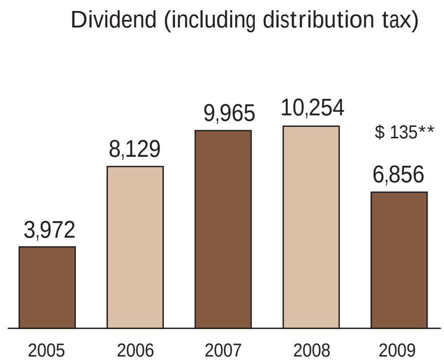
(Rs. in Mn, except per share data)

	Mar-09	Mar-08	Mar-07	Mar-06	Mar-05
PERFORMANCE FOR THE YEAR					
Consolidated Revenue	255,442	199,575	149,751	106,164	81,596
Revenue of IT Services (in $ Mn)	4,323	3,647	2,611	1,952	1,458
Profit before Depreciation, Interest and tax	50,868	40,546	34,384	25,602	20,608
Depreciation	6,864	5,359	3,978	3,096	2,456
Profit before Interest and tax	44,004	35,187	30,406	22,506	18,152
Effective tax rate (%)	14.3	12.3	11.7	14.3	14.5
Profit after tax	38,999	32,829	29,421	20,674	16,285
Dividend(including distribution tax)	6,856	10,254	9,965	8,129	3,972
Return on Average Networth (%)	30.8	30.8	36.3	34.8	36
ROCE (%)	24.8	26.9	36.4	37.3	39.4
EARNINGS PER SHARE DATA					
EPS					
Basic	26.81	22.62	20.62	14.70	11.70
Diluted	26.72	22.51	20.41	14.48	11.60
FINANCIAL POSITION					
Share Capital	2,928	2,923	2,918	2,852	1,407
Networth	136,284	116,914	95,960	66,053	52,814
Total Debt	56,892	44,850	3,827	757	621
Fixed assets, net	52,563	41,583	28,485	18,155	13,551
Cash and Investments	69,793	54,449	52,678	38,688	28,511
Goodwill	56,521	42,209	9,477	3,528	5,664
Net Current Assets	61,314	61,077	27,400	13,796	10,498
Capital Employed	193,428	161,920	99,852	66,884	53,713
SHAREHOLDING RELATED					
Number of Shareholders (Nos.)	228,456	232,932	197,774	155,832	98,198
Market Capitalization as on March 31	600,245*	773,255	816,164	797,995	472,061

* Based on closing price in NSE on June 12 2009







** Based on exchange rate as on March 31 2009 - Rs. 50.70/USD

Ratios

	Mar-09	Mar-08	Mar-07	Mar-06	Mar-05
Financial Performance - Growth (%)					
Revenue	28	33	41	30	39
Profit Before Interest And Tax	25	16	35	24	63
Profit After Tax	19	12	42	27	58
Financial Position					
Cash and investments to capital employed	36	34	53	58	53
Current Ratio	1.72	2.12	1.66	1.44	1.58
Days Sales Outstanding (in days)	67	64	60	62	61
Returns - (%)					
Return on Capital Employed	25	27	36	37	39
Return on Average Networth	31	36	35	36	29
Return on Invested Capital	37	45	80	84	86
Operating Cashflow to PBIT	82	66	92	87	99
Per Share - Rs					
Book Value	93	80	66	46	38
Dividend Per Share	4	6	6	5	2.5
Market Price as on March 31	410*	529	559	560	335
PE Ratio	15	22	27	38	29
Market Cap in Rs. Million	600,245	773,255	816,164	797,995	472,061
Segment Level					
IT Services					
Revenue growth (%) in $	19	40	34	34	26
PBIT Growth (%)	29	11	36	25	72
ROCE(%)* - IT Services & IT Products	39	44	62	60	62
Consumer Care & Lighting					
Revenue growth (%)	37	86	36	27	29
PBIT Growth (%)	34	89	25	20	22
ROCE(%)	14	19	48	76	89

* Based on closing price in NSE on June 12 2009

DIRECTORS' REPORT

Dear Shareholders,

I am happy to present on behalf of the Board of Directors, the 63rd Directors' Report for the year ended March 31, 2009, along with the Balance Sheet and Profit and Loss Account for the year.

Financial Performance

Key aspects of your Company's consolidated financial performance for Wipro and its group companies and standalone financial results for Wipro Limited for the year 2008-09 are tabulated below: (Rs. in Million)

	Consolidated Results		Standalone Results	
	2009	2008	2009	2008
Sales and Other Income	259,616	203,970	210,269	178,195
Profit before Tax	45,196	37,070	35,479	34,697
Provision for Tax	6,460	4,550	5,741	4,064
Minority interest and equity in earnings/ (losses) in affiliates	263	309	-	-
Profit for the year*	38,999	32,829	29,738	30,633
Appropriations				
Interim Dividend	-	2,919	-	2,919
Proposed Dividend on equity shares	5,860	5,846	5,860	5,846
Corporate Tax on distributed dividend	996	1,489	996	1,489
Transfer to General Reserve	32,143	22,575	22,882	20,379

*Profit for the year in Standalone Results is after Rs. 7,454 million of losses relating to translation of foreign currency borrowings and mark to market losses of related cross currency swaps. In the Consolidated accounts, these are considered as hedges of net investment in overseas operations and are recognized directly in shareholders' funds. (Refer note 1 on page 49).

Global Economy

The ongoing economic crisis has significantly impacted global economic growth. According to World Economic Outlook Update published by the International Monetary Fund in January 2009, the GDP of United States is projected to contract by 1.6% in fiscal 2009 and during the same period the GDP of Euro area is projected to contract by 2%. A significant portion of our exports are to these economies.

Subsidiary Companies

Wipro today is a global corporation having operations in more than 31 countries through 76 subsidiary companies, a few joint ventures and associate companies. Section 212 of the Companies Act, 1956, requires that we attach the Directors' Report, Balance Sheet and Profit and Loss Account of our subsidiary companies. We believe that the Consolidated Financial Statements present a more comprehensive picture rather than the standalone financial statements of Wipro Limited and each of its subsidiaries. We, therefore, applied to the Ministry of Corporate Affairs, Government of India and sought an exemption from the requirement to present detailed financial statements of each subsidiary. The Ministry of Corporate Affairs, Government of India has granted the exemption. In compliance with the terms of the exemption, we have presented in page 87 - 88 summary financial information for each subsidiary. As permitted by SEBI guidelines and Companies Act, 1956, we have included the abridged financial statements of Wipro Limited in this annual report. The detailed financial statements and audit reports of Wipro Limited and each of the subsidiaries are available for inspection at the registered office of the Company and upon written request from a shareholder, we will arrange to send the unabridged financial statements to the said shareholder.

Consolidated Results

Our Sales and Other Income for the current year grew by 27% to Rs. 259,616 million and our Profit for the year was Rs. 38,999 million, increase of 19% over the previous year. Over the last 10 years, our Sales have grown at a compounded annual growth rate (CAGR) of 30% and Profit after Tax at 37%.

Dividend

Your Directors recommend a final Dividend of 200% (Rs.4 per equity share of Rs. 2/- each) to be appropriated from the profits of the year 2008-09 subject to the approval of the shareholders at the ensuing Annual General Meeting. The Dividend will be paid in compliance with applicable regulations.

During the year 2008-09, unclaimed dividend of Rs.88,824/- was transferred to the Investor Eduction and Protection Fund, as required by the Investor Education and Protection Fund (Awareness and Protection of Investor) Rules, 2001.

Preferential issue

On March 26, 2009, the Company allotted 968,803 equity shares of Rs.2/- each to Wipro Inc Benefit Trust pursuant to the orders of the Hon'ble High Court of Karnataka and Hon'ble High Court of Bombay and in terms of the approval by National Stock Exchange and Bombay Stock Exchange approving the scheme of amalgamation for merger of Mpact Technology Services Private Limited, Mpower Software Services (India) Private Limited and Cmango India Private Limited with Wipro Limited.

Mergers and Acquisitions

We have continued to pursue the strategy of "string of pearls acquisitions" by acquiring businesses which complement our service offerings, provide access to niche skill sets and expand our presence in select geographies. We have a dedicated team of professionals who identify businesses which meet our strategic requirements and are cultural fit to Wipro.

In January 2009, your Company acquired Wipro Technology Services Limited (formerly called as Citi Technology Services Limited "CTS") for US $ 127 million. CTS is an India based captive provider of information technology services and solutions to Citi Group worldwide. CTS has a strong competency in Technology Infrastructure Services and application development and maintenance for cards, capital markets and corporate banking. The acquisition is expected to enhance Wipro's capabilities to address Technology Infrastructure Services business in the financial service industry.

During the year, the Company also re-structured a few of its overseas subsidiaries and merged them with their holding company in the US.

All the subsidiaries of the Company are unlisted and none of them are material unlisted subsidiaries as per Clause 49 of the Listing Agreement.

Investments in direct subsidiaries

During the year under review, your Company had invested an aggregate of US $ 432 million as equity, in its direct subsidiaries Wipro Cyprus Private Limited, Wipro Holdings (Mauritius) Limited, Wipro Inc and Wipro Technology Services Limited.

Corporate Governance

We believe Corporate Governance is at the heart of Shareholder value creation. Our governance practices are described separately in pages 17 through 40 of this annual report. We have obtained a certification from a practising Company Secretary on our compliance with clause 49 of the listing agreement with Indian Stock Exchanges. This certificate is given in page 40 of this Annual Report.

Personnel

We present the abridged accounts under Section 219 of the Companies Act, 1956. Pursuant to the Rules and Forms read with Section 219 of the Companies Act, 1956, the particulars of employees as required by Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employee) Rules, 1975) have not been provided. However, these particulars are available for inspection at the Registered Office of the Company and upon written request from a shareholder, we will arrange to mail these details.

Wipro Employee Stock Option Plans (WESOP)

Information relating to stock options program of the Company is provided in pages 6 through 8. The information is being provided in compliance with Clause 12 of the Securities and Exchange Board of India (Employee Stock Option Scheme) and (Employee Stock Purchase Scheme) Guidelines, 1999, as amended. No employee was issued Stock Option, during the year equal to or exceeding 1% of the issued capital of the Company at the time of grant.

Foreign Exchange Earnings and Outgoings

During the year we earned foreign exchange of Rs. 166,229 million and the outgoings in foreign exchange were Rs. 70,256 million, including outgoings on materials imported and dividend.

Research & Development

Requirement under Rule 2 of Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding Technical Absorption and Research & Development in Form B is given in page 4 to the extent applicable.

Conservation of Energy

The Company has taken several steps to conserve energy through its "Eco Eye" initiatives disclosed separately as part of this Annual Report. The information on Conservation of Energy required under Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is provided in page 4 of this annual report.

Directors' Re-appointment

Articles of Association of the Company provide that at least two-thirds of our Directors shall be subject to retirement by rotation. One third of these retiring Directors must retire from office at each Annual General Meeting of the shareholders. A retiring Director is eligible for reelection. Mr B C Prabhakar, Dr Jagdish N Sheth and Mr William Arthur Owens, retire by rotation and being eligible offer themselves for reappointment at this Annual General Meeting. The Board Governance and Compensation Committee have recommended their re-appointment for consideration of the Shareholders.

Board of Directors vide circular resolution of June 16, 2009 re-appointed Mr Azim H Premji as Chairman and Managing Director of the Company (designated as "Chairman") for a further period of 2 years with effect from July 31, 2009. This re-appointment is subject to the approval of the shareholders of the Company at the ensuing Annual General Meeting.

Group

The names of the Promoters and entities comprising "group" as defined under the Monopolies and Restrictive Trade Practices ("MRTP") Act, 1969 read with Section 3(1)(e)(i) of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 are disclosed below:

Sl. No.	Name	No. of Shares
1	Azim H Premji	56,043,060
2	Yasmeen A Premji	637,600
3	Rishad Azim Premji	618,000
4	Tariq Azim Premji	159,000
5	Mr Azim H Premji partner representing Hasham Traders	326,259,000
6	Mr Azim H Premji partner representing Prazim Traders	325,017,000
7	Mr Azim H Premji partner representing Zash Traders	324,244,800
8	Regal Investment Trading Company Pvt. Ltd.	51,014,200
9	Vidya Investment Trading Company Pvt. Ltd.	38,860,600
10	Napean Trading Investment Company Pvt. Ltd.	38,263,000

Management's Discussion and Analysis Report

The Management's Discussion and Analysis on Company's performance – industry trends and other material changes with respect to the Company and its subsidiaries, wherever applicable are presented on pages 9 through 16 of this annual report.

Re-appointment of Statutory Auditor

The auditors, M/s. BSR & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office, if re-appointed. The proposal for their re-appointment is included in the notice for Annual General Meeting sent herewith.

Re-appointment of Cost Auditor

Pursuant to the direction from the Department of Corporate Affairs for appointment of Cost Auditors, your Board of Directors has re-appointed M/s. P.D. Dani & Co., as the Cost Auditor for the year ended March 31, 2010.

Fixed Deposits

We have not accepted any fixed deposits. Hence, there is no outstanding amount as on the Balance Sheet date.

Directors' Responsibility Statement

On behalf of the Directors I confirm that as required under Section 217 (2AA) of the Companies Act, 1956.

a) In the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures are made from the same;

b) We have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for the period;

c) We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

d) We have prepared the annual accounts on a going concern basis.

Acknowledgements and Appreciation

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company. I am sure you will join our Directors in conveying our sincere appreciation to all employees of the Company for their hard work and commitment. Their dedication and competence has ensured that the Company continues be a significant and leading player in the IT services industry.

For and on behalf of the Board of Directors

Azim H. Premji,
Chairman

Bangalore, June 19, 2009

ANNEXURE 'A' FORMING PART OF THE DIRECTORS' REPORT

A. DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY
(Wipro Consumer Care and Lighting)

			2008-2009	2007-2008
Electricity				
a)	Purchased			
	Unit	KWH	**14,848,463**	13,095,941
	Total Amount	Rs.	**65,068,207**	56,338,693
	Rate/unit	Rs.	**4.38**	4.30
b)	Own generation			
	Through Diesel Generator			
	Unit	KWH	**859,456**	906,745
	Unit/litre of diesel	Units	**3.04**	3.02
	Cost per unit	Rs.	**11.27**	10.38
Coal				
	Quantity	Tones	**3,187**	3,333
	Total Cost	Rs.	**15,909,865**	13,141,189
	Av. Rate	Rs.	**4,992**	3,943
Furnace Oil				
	Quantity FO	Ltrs.	**3,903,204**	3,101,420
	Total Cost	Rs.	**113,006,503**	68,855,390
	Av. Rate	Rs.	**28.95**	22.20
LPG & Propane				
	Quantity	Kgs.	**594,221**	659,601
	Total Cost	Rs.	**24,718,033**	23,416,392
	Av. Rate	Rs.	**41.60**	35.50
H2 Gas				
	Quantity	CMT	**109,981**	169,622
	Total Cost	Rs.	**3,672,356**	5,510,025
	Av. Rate	Rs.	**33.39**	32.48

B. DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY
(Wipro Infrastructure Engineering)

ELECTRICITY			2008-09	2007-08
a.	Purchased			
	Unit	KWH	4,872,613	7,568,441
	Total Amount	Rs.	23,746,108	35,467,862
	Rate/Unit	Rs.	4.87	4.69
b.	Own Generation through DG			
	Unit	KWH	398,638	431,734
	Unit/Ltr. of Diesel	Units	2.17	2.64
	Cost per unit	Rs.	16.68	12.45

C. CONSUMPTION PER UNIT PRODUCTION
(Wipro Consumer Care and lighting)

Vanaspati	**Electricity** (KWH/Tone)		**Liquid Diesel Oil** (Litres/Tonne)	
	Standard		Standard	
2008/09	109	138.42	-	NA
2007-08	-	135.51	-	NA
2006-07	-	128	-	NA
General Lighting System	**Electricity KWH/000 nos)**		**Liquid Diesel Oil (Litres/000 nos)**	
	Standard		Standard	
2008/09	16	15.41	-	0.44
2007/08	-	19.00	-	0.53
2006/07	-	16.65	-	0.5
Flourescent Tube Light	**Electricity (KWH/000 nos)**		**Liquid Diesel Oil (Litres/000 nos)**	
	Standard		Standard	
2008/09	138	144.67	-	2.74
2007/08	-	160.83	-	3.71
2006/07	-	149.62	-	2.61

D. CONSUMPTION PER UNIT PRODUCTION
(Wipro Infrastructure Engineering)

Hydraulic Cylinder	Standard	Electricity (kwh/cyl.)	Standard	Diesel (Lts/Cyl.)
2008-09	17 kwh	19.05	0.40 ltrs	0.66
2007-08	-	17.39		0.36

FORM B
Wipro's R&D Activities: 2008-09

A. Specific areas in which R&D is being carried out in the Company

Wipro's R&D focus is to strengthen the portfolio of Centers of Excellence (CoE), Solution Accelerators and Software Engineering Tools & Methodologies. In financial year 2008-09, your Company incubated Applied Research group to investigate & analyze potential impact and business prospect of technologies which are in the early stage of adoption.

B. Benefits derived as a result of R&D, Technology Absorption, Adaptation and Innovation

Centers of Excellence (CoE)

The goal of CoE is to create competencies in emerging areas of technologies & industry and incubate new practices for business growth. In order to enhance focus, few technologies are driven centrally as Theme initiatives. The technology themes identified are SOA (Service Oriented Architecture), SaaS (Software as a Service), Virtualization, Unified Communication, Next Gen Web, Mobility, Business Analytics and Green IT.

Solution Accelerators

Industry solution accelerators are specific to a particular industry segment whereas functional and technology solution accelerators can be used across industry segments.

Sample list of solution accelerators incubated in Financial Year 08-09:

- Order to Bill solution for mobile operators in emerging markets
- Business Analytics solution for Retail and Healthcare Industry
- Reference Data Management solution for Securities Industry
- Intuitive Customer Experience solution for Banking Industry
- Identity and Access Management solution
- Document Management Solution
- SaaS enablement solution

We have also invested in innovative delivery models targeted towards outcome based (and not head count based) service delivery & pricing. Examples include: Flex Delivery for applications like SAP and CIGMA for Integrated Application Management.

Software Engineering Tools & Methodologies:

We developed a unique approach with a blend of tools, frameworks and methodologies to provide value engineering services to clients and built capability to do deep structural analysis of an application and provide insights on Scalability, Maintainability, Complexity etc. and aid retain/ sunset decisions.

We continued to study the interplay between Software delivery and team composition. Unique insights from the study have been incorporated into our resourcing model to maximize performance and optimize costs. Our joint work with Harvard business school in this area has been published in Management science - a leading management journal.

Patents:

During the financial year 2008-09, Wipro has filed for 13 patents, during the year we were granted 1 patent in respect of prior patent applications. Process innovations in SOA and BPO domains, in respect of which patent applications have been filed, have already been deployed in various customer engagements.

C. Future plan of action

We will continue to invest in in-house development of Software Engineering Tools to improve productivity and Quality; Examples include Wipro style, Deep Check, Wipro Accelerator, Wipro Unit Test and Wipro code checker, reusable IP's/assets (components, tools, frameworks) which help in accelerating the implementation of solutions in customer engagements.

We have chosen Enterprise Information Management as one of the areas of focus in Applied Research.

D. Expenditure on R&D

During the year under review, we have incurred an expenditure of Rs.492 million including capital expenditure in continued developement of R&D activities.

ANNEXURE 'B' FORMING PART OF THE CORPORATE GOVERNANCE REPORT

Disclosure in compliance with Clause 12 of the SEBI (Employee Stock Option Scheme) and (Employee Stock Purchase Scheme) Guidelines, 1999, as amended

Sl. No.	Description	WESOP 1999	WESOP 2000	ADS 2000 Stock Option Plan	Wipro Restricted Stock Unit Plan 2004	Wipro Restricted Stock Unit Plan 2005	ADS Restricted Stock Unit Plan 2004	Wipro Restricted Stock Unit Plan 2007
1.	Total number of options under the Plan	30,000,000 (adjusted for the issue of bonus shares in the years 2004 and 2005)	150,000,000 (adjusted for the issue of bonus shares in the years 2004 and 2005)	9,000,000 ADS representing 9,000,000 underlying equity shares (adjusted for the issue of bonus shares of the years 2004 and 2005)	12,000,000 (Adjusted for the issue of bonus shares of the years 2004 and 2005)	12,000,000 (Adjusted for the issue of bonus shares of the year 2005)	12,000,000 ADS representing 12,000,000 underlying equity shares (adjusted for the issue of bonus shares of the years 2004 and 2005)	10,000,000
2.	Options/RSUs grants approved during the year	-	120,000	-	1,100,950	5,781,465	1,484,261	-
3.	Pricing formula	Fair market value i.e., the market price as defined by the Securities and Exchange Board of India	Fair market value i.e., the market price as defined by the Securities and Exchange Board of India	Exercise price being not less than 90% of the market price on the date of grant	Face value of the share	Face value of the share	Face value of the share	Face value of the share
4.	Options vested during the year	-	-	-	2,293,960	1,243,804	525,653	-
5.	Options exercised during the year	-	345,099	4,400	1,284,450	477,833	446,841	-
6.	Total number of shares arising as a result of exercise of option (as of March 31, 2009)	-	345,099	4,400	1,284,450	477,833	446,841	-
7.	Options lapsed/forfeited during the year *	-	873,687	2,700	412,415	608,295	452,015	-
8.	Variation in terms of options during the year ended March 31, 2009	-	-	-	-	-	-	-

Sl. No.	Description	WESOP 1999	WESOP 2000	ADS 2000 Stock Option Plan	Wipro Restricted Stock Unit Plan 2004	Wipro Restricted Stock Unit Plan 2005	ADS Restricted Stock Unit Plan 2004	Wipro Restricted Stock Unit Plan 2007
9.	Money realised by exercise of options during the year (Rs.)	-	92,523,633	910,694	2,568,900	955,666	893,682	-
10.	Total number of options in force at the end of the year (granted, vested and unexercised/unvested and unexercised)	-	121,140	1,606	5,970,309	7,829,276	2,470,641	-
11.	Employee wise details of options granted to :							
	i. Senior Management during the year							
	a. Suresh C. Senapaty	Nil	Nil	Nil	Nil	50,000	Nil	Nil
	b. Suresh Vaswani	Nil	60,000	Nil	Nil	50,000	Nil	Nil
	c. Girish Paranjpe	Nil	60,000	Nil	Nil	50,000	Nil	Nil
	d. Pratik Kumar	Nil	Nil	Nil	Nil	30,000	Nil	Nil
	e. Ranjan Acharya	Nil	Nil	Nil	Nil	9,000	Nil	Nil
	f. T.K. Kurien	Nil	Nil	Nil	Nil	50,000	Nil	Nil
	g. S. Deb	Nil	Nil	Nil	Nil	18,000	Nil	Nil
	h. Vineet Agrawal	Nil	Nil	Nil	Nil	40,000	Nil	Nil
	i. Anurag Behar	Nil	Nil	Nil	Nil	20,000	Nil	Nil
	ii. Employees holding 5% or more of the aggregate total number of options granted during the year under all Plans	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	iii. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil	Nil	Nil	Nil	Nil	Nil	Nil
12.	Diluted Earnings per Share pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20	20.38	20.38	20.38	20.38	20.38	20.38	20.38

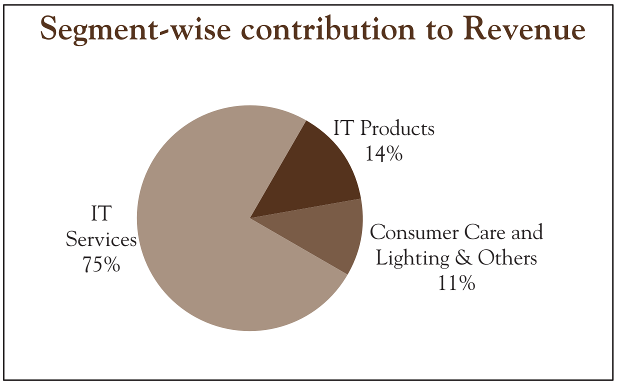
Sl. No.	Description	WESOP 1999	WESOP 2000	ADS 2000 Stock Option Plan	Wipro Restricted Stock Unit Plan 2004	Wipro Restricted Stock Unit Plan 2005	ADS Restricted Stock Unit Plan 2004	Wipro Restricted Stock Unit Plan 2007
13.	Where the Company has calculated the employees compensation cost using the instrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options. The impact of this difference on profits and on EPS of the Company	Not applicable as these pertain to options granted prior to June 2003	Difference between cost as per fair value and intrinsic value method is Rs. 5,136,895/-. Impact on EPS would be negligible	Not applicable as these pertain to options granted prior to June 2003	Since these options were granted at a nominal exercise price, intrinsic value on the date of grant approximates the fair value of options	Since these options were granted at a nominal exercise price, intrinsic value on the date of grant approximates the fair value of options	Since these options were granted at a nominal exercise price, intrinsic value on the date of grant approximates the fair value of options	Not applicable as no options are granted under this Plan
14.	Weighted average exercise prices and weighted average fair values of options separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	Not applicable as these pertain to options granted before June 30, 2003	Exercise price Rs. 489/- per option. Market price was lower than the exercise price as on March 31, 2009	Not applicable as these pertain to options granted before June 30, 2003	Exercise price Rs. 2/- per option. Fair value Rs. 243.90 as on March 31, 2009	Exercise price Rs. 2/- per option. Fair value Rs. 243.90 as on March 31, 2009	Exercise price $ equivalent of Rs. 2/- per option. Fair value $ 7.11 as on March 31, 2009	Not applicable as no options are granted under this plan
15.	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted average information : (a) risk free interest rate (b) expected life (c) expected volatility (d) expected dividends and (e) the price of the underlying share in market at the time of option grant	Not applicable as these pertain to options granted before June 30, 2003	 7.36% 6 years 36.21 - Rs. 489/-	Not applicable as these pertain to options granted before June 30, 2003	Since these options were granted at a nominal exercise price, intrinsic value on the date of grant approximates the fair value of options	Since these options were granted at a nominal exercise price, intrinsic value on the date of grant approximates the fair value of options	Since these options were granted at a nominal exercise price, intrinsic value on the date of grant approximates the fair value of options	Not applicable as no options are granted under this plan

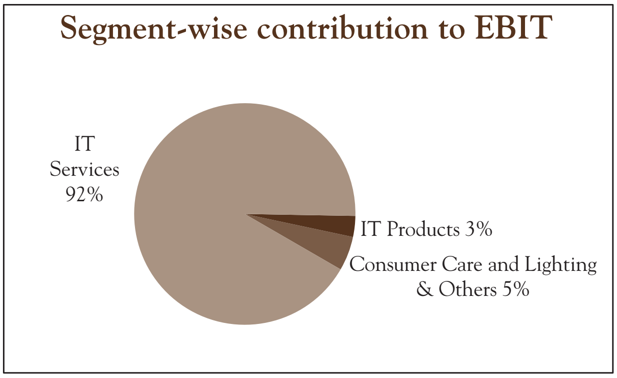
* As per the Plan, Options/RSUs lapse only on termination of the Plan. If an Option/RSU expires or becomes unexercisable without having been exercised in full, such options shall become available for future grant under the Plan.

MANAGEMENT'S DISCUSSION AND ANALYSIS

I. *Segment-wise performance*

Segment-wise contributions in 2008-09





We are a leading global information technology, or IT, services company, headquartered in Bangalore, India. We provide a comprehensive range of IT services, software solutions and research and development services in the areas of hardware and software design to leading companies worldwide. We use our development centers located in India and around the world, quality processes and global resource pool to provide cost effective IT solutions and deliver time-to-market and time-to-development advantages to our clients. We also provide business process outsourcing, or BPO, services.

Our IT Products segment is a leader in the Indian IT market and focuses primarily on meeting requirements for IT products of companies in India and the Middle East region.

We also have a notable presence in the markets for consumer products and lighting and infrastructure engineering.

Until March 31, 2008, our reportable segments, were Global IT Services and Products (comprising of IT Services and BPO Services segments), India and AsiaPac IT Services and Products, Consumer Care and Lighting and 'Others'.

In April 2008, we re-organized our IT business by combining the Global IT Services and Products business and the India and AsiaPac IT Services and Products business and appointed joint Segment Chief Executive Officers for the combined IT business. Consequent to the reorganization, we identified IT Services and IT Products as the new operating and reportable segments within our IT business. There was no change in the reportable segments for our other businesses.

In the subsequent section of this report, we will report for each of our business segment separately, the industry structure and developments, opportunities and threats, and risk and concerns.

II. Industry Overview

IT Services

The shift in the role of Information and Technology (IT) from merely supporting business to transforming business, is driving productivity gains and helping create new business models. This has led to an increase in the importance of IT. The increasing acceptance of outsourcing and off-shoring of activities as an economic necessity has contributed to the continued growth in our revenue.

According to NASSCOM Strategic Review Report 2009, IDC estimates total spending of $ 557 billion on IT services in 2008, an increase of 5.5% over last year. Within the IT services market, outsourcing was the fastest growing segment in 2008, estimated to have grown by 21%.

IDC forecasts worldwide IT services spending of approximately $672 billion by 2012, reflecting a compound annual growth rate, or CAGR, of 4.8%. However, Forrester Global IT 2009 Market Outlook, predicts that U.S. IT purchases will slowdown from 4.05% growth in 2008 to 1.6% growth in 2009.

According to NASSCOM Strategic Review Report 2009, IDC forecasts a cumulative annual growth rate (CAGR) of over 6.21% in worldwide IT services and IT enabled services (IT-ITeS) spending and a CAGR of over 18.79% in offshore IT spending, for the period 2007-12. The combined market for Indian IT-ITeS exports in fiscal 2009 was nearly $ 60 billion. Key factors supporting this projection are the growing impact of technology led innovation, the increasing demand for global sourcing and gradually evolving socio-political attitudes. Key factors contributing to the growth of India-based IT services are:

- India based sourcing offers significant cost advantages in terms of accessing highly skilled talent at lower wage costs and productivity gains that can be derived from having a very competent employee base. According to NASSCOM's Strategic Review Report 2009, the cost advantage achievable from outsourcing to India is unlikely to go away due to an absolute cost advantage vis-à-vis other key markets and the prospect of further reductions in infrastructure and overhead costs.
- India-based IT companies have proven their ability to deliver IT services that satisfy the requirements of international clients who expect the highest quality standards. According to NASSCOM's Strategic Review Report 2009, India based centers (both Indian firms as well as MNC owned captives) have earned more quality certifications than any other country, over 498 India based

centers (both Indian firms as well as MNC owned captives) had acquired quality certifications with 85 companies certified SEI CMM Level 5.

- India has a large, highly skilled english-speaking labour pool that is available at a relatively low labor cost. According to NASSCOM Strategic Review Report 2009, the Indian IT industry employed nearly 2,230,000 software professionals as of 2008-09, making it one of the largest employers in the IT services industry. According to the same report, India has the largest pool of suitable off-shore talent – accounting for over 28% of the suitable pool available across all offshore destinations.
- With the time differential between India and its largest market, the United States, Indian companies are able to provide a combination of onsite and offshore services on a 24-hour basis on specific projects.
- The Indian IT industry has been the primary beneficiary of the rapid transformation of the telecom sector since it was deregulated to allow private participation, with the cost of international connectivity declining rapidly and service level quality improving significantly. This cost advantage is likely to continue due to lower penetration levels and a growing consumer base.

According to IDC's report - India domestic IT/ITeS market top 10 predictions for 2009, the India domestic IT/ITeS market growth rate will come down from an average of 24.3% recorded during 2003-08 to 16.4% over the next five years.

In India, the IT services market is estimated to account for 34% of the domestic IT industry. The growth in the IT services market is estimated to be around 14% in US$ terms. The key verticals driving the growth of the IT services market are Retail, BFSI, Telecom and Manufacturing.

BPO Services

India is also a leading destination for IT enabled services. The proven track record and client relationships of established Indian IT services companies, favorable wage differentials, availability of a large, high quality, english speaking talent pool and a regulatory environment more friendly to investment are facilitating India's emergence as a global outsourcing hub. According to NASSCOM Strategic Review Report 2009, the worldwide BPO market is expected to touch $ 181 billion by 2012, representing a compounded annual growth rate, or CAGR, of 11.9%.

IT Products

According to NASSCOM Strategic Review Report 2009, IDC forecasts that worldwide hardware spending will increase from $570 billion in 2007 to $683 billion in 2012, representing a compounded annual growth rate, or CAGR, of 3.68%

According to NASSCOM Strategic Review Report 2009, the hardware market in India is estimated to account for 49% of the domestic IT industry, growing at about 3% in 2009. Personal computers (including desktops and notebooks) continue to be purchased at higher rates than other products in the hardware market. As prices come down, notebooks are increasingly being adopted as the computing device of choice. For the desktop segment, consumers are showing an increasing trend of moving away from locally assembled items towards branded products with relatively higher end configurations.

Consumer Care and Lighting

The consumer care market includes personal care products, soaps, toiletries, infant care products, modular switch lights and modular office furniture. Our Santoor brand is the third biggest soap brand in India. The market for soaps in India is dominated by established players like Hindustan Unilever (a subsidiary of Unilever). We have a strong brand presence in a niche segment and have significant market share in select regions in India. In addition, we have a strong presence in the market for personal care products in south-east Asia.

AC Nielsen estimates that India is amongst the fastest growing geographies for FMCG, with a 2008 growth rate of 15.8% for the non-food segment, largely led by price increases. This market is estimated to grow at a CAGR of 10% - 12% for the period 2009-2012. The household and personal care FMCG market in the other Asian countries in which we operate including Malaysia, Vietnam and Indonesia, are expected to grow at a CAGR of 6% for the period 2009-2013.

The Indian domestic market for institutional lighting and office modular furniture is estimated at $ 675 million and is expected to grow at the rate of 10% for the period 2009-2010. Key sectors contributing to the growth are expected to be modern work spaces, IT-ITeS, Retail, Healthcare and Government Infrastructure spending.

We expect to increase our market share organically in our identified geographies. In addition we continue to look at acquiring established brands which complement our brand presence and distribution strengths.

Others

In the other segment, Wipro Infrastructure Engineering (WIN) is the key business segment. We sell hydraulic cylinders and truck tipping systems that are used in variety of earth moving, material handling, mining and construction equipments.

III. Opportunity and Threats

IT Services

Global companies are increasingly turning to offshore technology service providers in order to meet their need for high quality, cost competitive technology solutions. Technology companies have been outsourcing software research and development and related support functions to offshore technology service providers to reduce cycle time for introducing new products and services. According to NASSCOM Strategic Review Report 2009, IDC forecasts CAGR of over 18.79% in offshore IT spending, for the period 2007-12.

As a de-risking strategy, companies have moved over to multi-vendor IT outsourcing from sole sourcing, this has opened up opportunities for Indian IT companies to participate in large multi-million dollar deals. Global companies are expanding their outsourcing activities to leverage the high quality, cost competitive IT services from India.

We believe our strong brand, robust quality process and access to skilled talent base at lower costs places us in a unique position to take advantage of the trend towards outsourcing IT services.

We believe that our global delivery model allows us to provide services on a best shore basis. Customers benefit from round the clock execution schedules, quality control measures and best in class resources pooled in across geographies for high quality delivery and risk management practices to ensure uninterrupted services.

Risk factors

Our revenues from this business are derived in major currencies of the world while a significant portion of its costs are in Indian rupees. The exchange rate between the rupee and major currencies of the world has fluctuated significantly in recent years and may continue to fluctuate in the future. Currency fluctuations can adversely affect our revenues and gross margins.

In an economic slowdown, our clients may reduce or postpone their technology spending significantly. Reduction in spending on IT services may lower the demand for our services and negatively affect our revenues and profitability. According to World Economic Outlook Update published by International Monetary Fund in April 2009, GDP of United States is projected to contract by 2.8% in calendar 2009 and during the same period GDP of Euro area is projected to contract by 4.2%. Forrester Global IT 2009 Market Outlook, predicts that U.S. IT purchases will slowdown from 4.05% growth in 2008 to 1.6% growth in 2009.

Further, any significant decrease in the growth of the industries on which we focus, or a significant consolidation in any such industry, may reduce the demand for our services and negatively affect our revenues and profitability. For instance, we derive about 26% of our revenues in IT Services from clients in financial services sector. The recent crisis in the mortgage-backed securities markets has impacted companies in the financial services sector, which could result in reduction or postponement of their IT spending and thus may adversely affect our business.

Recently, some countries and organizations have expressed concerns about a perceived association between offshore outsourcing and the loss of jobs. With the growth of offshore outsourcing receiving increasing political and media attention there have been concerted efforts to enact new legislation to restrict offshore outsourcing or impose disincentives on companies which have been outsourcing. This may adversely impact our ability to do business in these jurisdictions and could adversely affect our revenues and operating profitability.

We manage mission critical IT infrastructure/applications and therefore maintaining stable communication links with our clients is imperative. Breakdown in telecommunication links, geopolitical disturbances or natural disaster could temporarily impact our ability to service customers. This could adversely affect the customer decision to procure IT services from India or increase the nature and scope of services sourced from India.

These risks are broadly country risks. At an organisational level, we have a well-defined business contingency plan and disaster recovery plan to address these unforeseen events and minimize the impact on services delivered from our development centers based in India or abroad.

IT products

Our IT Products segment provides a range of IT products encompassing computing, storage, networking, security and software products. Under this segment, we sell IT products manufactured by us and third-party IT products. We provide our offerings to enterprises in the Government, defence, IT and IT - enabled services, telecommunications/telecom service providers, manufacturing and banking sectors.

For the last several years, India has achieved healthy economic growth rates in the range 7.5-8%. The growth has been contributed by robust services sector performance as well as cyclically strong manufacturing output. Increased revenue and profitability growth has created opportunities for companies to invest in IT infrastructure. Some sectors such as Telecom service providers, Banking, Retail and IT/ITES require significantly higher per capita IT investment.

India is being viewed as a key market among the emerging economies. Several multinational IT Companies and Indian IT Services companies are focusing on the Indian markets. This could affect our growth and profitability.

The IT products market is a dynamic and highly competitive market. In the marketplace, we compete with both international and local providers. We are witnessing higher pricing pressures due to commoditization of manufactured products business and higher focus on Indian markets by all leading IT companies.

We are favorably positioned due to our quality leadership, our ability to create client loyalty and our expertise in select markets.

Consumer care and lighting

We leverage our brand name and distribution strengths to sustain a profitable presence in niche markets in the areas of soaps, toiletries, lighting products including modular switches and modular furniture for the Indian market. Our Santoor brand is the third largest brand in India in the soap category. With the acquisition of Unza group, we are increasing our presence in personal care products sector in South-East Asia.

We are among the top 5 companies with a Pan-India Sales and Distribution Infrastructure, which enables us to effectively penetrate fast growing Indian market.

We have constantly expanded our brand portfolio by entering newer categories. We have successfully built brands both organically and through acquisition. Each brand in our Brand basket has a distinctive positioning, catered to and addressing a specific consumer need.

Our competitors in the consumer care and lighting are located primarily in India, and include multinational and Indian companies. Certain competitors have recently focused on sales strategies designed to increase sales volumes through lower prices. Sustained price pressures by competitors may require us to respond with similar or different pricing strategies. This may adversely affect our gross and operating profits in future periods.

Others

Our Others segment includes our infrastructure engineering business. We are the world's second largest third-party manufacturer of hydraulic cylinders. The Others segment is centered on our mobile construction equipment business and our material handling business. We manufacture and sell cylinders and truck hydraulics, and we also distribute hydraulic steering equipment and pumps, motors and valves for international companies. We have a global footprint in terms of manufacturing facilities in Europe and India and sell to customers across the globe.

While the current financial year has seen a decline in global sales volumes, we believe that the fundamentals of infrastructure engineering business remain intact.

We are also in the water solutions business, which addresses the entire spectrum of treatment solutions, systems and plants for water and waste water for industries.

We also provide consulting on comprehensive renewable energy and efficiency solutions.

If current slowdown is prolonged it would translate in to lower growth for our customers and in turn reduce our growth prospects.

IV. Outlook

During the financial year ending March 2009, we grew our Revenues by 28% to Rs. 255,442 million and Profit After Tax (PAT) by 19% to Rs. 38,999 million. Over the last decade, we have grown our Revenues at the CAGR of 30% and PAT at the CAGR of 37%.

We have followed a practice of providing only revenue guidance for our largest business segment, namely, IT Services. The guidance is provided at the release of every quarterly earnings when detailed Revenue outlook for the succeeding quarter is shared. Over the years, the Company has consistently exceeded its quarterly Revenue guidance.

On April 22, 2009, along with our earnings release for quarter ended March 31, 2009, we provided our most recent quarterly guidance. Revenue from IT Services segment for the quarter ending June 30, 2009 is likely to be ranged between USD 1,009-1,025 million on a constant currency basis.

V. Risk and Concerns

In the previous sections, we have discussed some of the key risks impacting our business. The risks relating to our company, the industry we operate in and country specific risks are dealt with in greater detail in the annual report in Form 20-F filed with Securities and Exchange Commission, USA. The report is also available on our website : www.wipro.com.

VI. Internal Control Systems and their adequacy

We have presence across multiple countries, and a large number of employees, suppliers and other partners collaborate to provide solutions to our customer needs. Robust internal controls and scalable processes are imperative to manage this global scale of operations.

Our listing on the New York Stock Exchange (NYSE) provided us an opportunity to get our independent auditors assess and certify our internal controls primarily in the areas impacting financial reporting. For the companies listed in the United States of America, the Public Company Accounting Reform and Investor Protection Act of 2002, more popularly known as the Sarbanes–Oxley Act requires :

1. Management to establish, maintain, assess and report on effectiveness of internal controls over financial reporting and;
2. Independent auditors to opine on effectiveness of internal controls over financial reporting.

We adopted the COSO framework (Framework suggested by Company of Sponsoring Trade way Organisation) for evaluating internal controls. COSO identifies five layers of internal controls, namely, Control Environment, Risk Assessment, Control Activity, Information and Communication and Monitoring. Information Technology controls were documented, assessed and tested under the COBIT framework.

The entire evaluation of internal controls was carried out by a central team reporting into the Chief Financial Officer.

We have obtained a clean and unqualified report from our independent auditors on the effectiveness of our internal controls.

VII. Discussion on financial performance with respect to operational performance

1. *Authorised share capital*

The Company has an authorised share capital of Rs. 3,550 million comprising 1,650 million equity shares of Rs. 2/- each and 25 million 10.25% redeemable cumulative preference shares of Rs. 10/- each as of March 31, 2009.

2. *Paid up Share Capital*

The Company has a paid-up capital of Rs. 2,928 million, an increase of Rs. 5 million during this year.

3. *Equity Shares*

The Company has instituted various Employee Stock Option Plans (ESOP). These options vest over a specified period subject to employee fulfilling certain conditions. Upon vesting, the employees are eligible to apply and secure allotment of the Company's equity shares at a price determined on the date of grant of options. During the year, 2.6 million shares were allotted on exercise of the options under various Employee Stock Option Plans instituted by the Company.

4. *Reserves and Surplus*

A. Securities Premium Account

Addition to securities premium account comprises of premium received on exercise of stock options, amounting to Rs. 1,366 million.

B. Restricted Stock Units

The Company has granted total 14 million restricted stock units under the Wipro Restricted Stock Unit Plan, 2004, 4 million restricted stock units under the Wipro Restricted Stock Unit Plan, 2005 and 9 million restricted stock units under the Wipro ADS Restricted Stock Unit Plan, 2004.

During the year ended March 31, 2009 the Company has charged to profit and loss account Rs. 1,767 million of deferred compensation cost as employee compensation. The cumulative charge to profit and loss account would be treated as share premium on allotment of shares.

5. *Secured Loan*

Secured loans have decreased by Rs. 214 million, primarily due to loans repayments in the acquired entities.

6. *Unsecured Loan*

Unsecured loans have increased by Rs. 12,256 million. The increase is mainly due to additional PCFC loan availed in the current year and impact of reinstating ECB loan (denominated in Japanese Yen) at the exchange rates prevailing on March 31, 2009.

7. *Fixed Assets*

A. Goodwill on Consolidation

The excess of consideration paid over the book value of assets acquired has been recognised as goodwill in accordance with Accounting Standard (AS) 21 'Consolidated Financial Statements'. Goodwill arising on account of acquisition of subsidiaries and affiliates is not amortised but reviewed for impairment if there are indicators of impairment. Upon review for impairment, if the carrying value of the goodwill exceeds its fair value, goodwill is considered to be impaired and the impairment is charged to the income statement for the year.

Goodwill has increased by Rs. 14,312 million during the year mainly due to acquisitions during the year and impact of reinstating goodwill relating to non-integral overseas operations at the exchange rates prevailing on March 31, 2009.

B. Addition to Fixed Assets

During the year, the Company invested Rs. 19,073 million on Fixed Assets. The unit-wise spends are outlined below :

(Rs. in Million)

Business Unit	2009
IT services	16,475
IT products	449
Consumer Care and Lighting	1,112
Others	1,037

In our IT Services business we added 25,548 seats during the current financial year. 40,200 seats are under construction as on March 31, 2009.

C. Depreciation

The Company has provided depreciation either at the rates specified in Schedule XIV of the Companies Act, 1956, or at commercial rates which are higher than the rates specified in Schedule XIV. Depreciation as a percentage of sales remained at 3% in fiscal year 2009.

8. *Investments*

Purchase of Investments - During the year surplus cash generated by operations were invested in short-term mutual funds and term deposits with financial institutions. The internal investment norms restrict investments to only those mutual funds which have corpus in excess of a specific threshold and the investment is limited to a specified percentage of overall investments of Wipro. Further, we place deposits only with those institutions having a specified credit rating and we have internal limits of maximum deposit that can be placed with financial institutions. Investments in units of liquid mutual funds have increased from Rs. 14,317 million in fiscal 2008 to Rs. 15,136 million in fiscal 2009.

9. *Inventories*

Inventories comprises computers and spares of IT Products and raw material and finished stocks of Wipro Consumer Care and Lighting and Wipro Infrastructure Engineering (WIN). Inventories have increased from Rs. 6,664 million as on March 31, 2008 to Rs. 7,586 million as on March 31, 2009.

Inventory of IT products increased by Rs. 1,253 million in line with growth in revenues of IT products and inventories sourced to service large total outsourcing deals. This was offset by Rs. 412 million decrease in inventory in WIN primarily due to decrease in revenues.

10. *Sundry Debtors*

Sundry Debtors (net of provision) for the current year is at Rs. 48,859 million against Rs. 40,453 million in the previous year. Segment-wise break-up of sundry debtors is outlined below:

(Rs. in Million)

Particulars	2009	2008	Increase (%)
IT Services and Products	**45,677**	36,785	24
Consumer Care and Lighting	**2,414**	2,246	7
Others	**768**	1,422	-46
Total	**48,859**	40,453	21

Revenue of IT Services and Products increased by 18% during the quarter ended March 31, 2009.

Changes in sundry debtors in Consumer Care and Lighting and Others are in line with the revenue growth/decline during the quarter ended March 31, 2009.

Provision for doubtful debts has increased from Rs 1,096 million to Rs. 1,919 million in fiscal 2009. The provision for doubtful debts includes mainly due to provision recorded upon a major customer opting for bankruptcy protection.

11. *Cash and Bank Balances*

Cash and bank balances have increased from Rs. 39,270 million to Rs. 49,117 million, an increase by Rs. 9,847 million. The increase is primarily to meet operational requirements and pursue strategic acquisition opportunities.

12. *Loans and advances*

(Rs. in Million)

Particulars	2009	2008	Increase (%)
Advances recoverable	**13,229**	10,083	32
Unbilled revenue	**14,108**	8,514	66
Others	**18,336**	11,013	66
Total	**45,673**	29,610	54

- Increase in advances recoverable is primarily due to increase in net investment in lease by Rs. 2,940 million. The net investment in lease primarily relate to equipments delivered in certain large IT outsourcing contracts in India.
- Unbilled revenue has increased on account of increase in revenues from Fixed Price Projects from 28% in the previous year to 34% in the current year in IT Services where certain customers are billed after the end of the month. This is offset by advances received from customers which is included in unearned revenues. We have entered into several multi-year large deals (including infrastructure) with Telecom companies where the billings are based on milestones and with deferred payment terms.
- Increase of Rs. 7,323 million in 'Others' is mainly due to increase in Advance tax by Rs. 3,069 million and deposits with financial institutions of Rs. 3,750 million.

13. *Current Liabilities & Provisions*

A. Current Liabilities

(Rs. in Million)

Particulars	2009	2008	Increase (%)
Sundry Creditors	**18,017**	13,082	38
Advances from customers	**2,428**	1,642	48
Unearned revenues	**6,734**	4,269	57
Other Liabilities	**40,810**	20,897	95
Total	**67,989**	39,890	70

Current liabilities have increased primarily due to our focus on improving working capital position. Sundry Creditors represent the amount payable to vendors and employees for supply of goods and services.

Other liabilities comprise amounts due for operational expenses. Other liabilities have increased by Rs. 19,917 million during the year ended March 31, 2009 primarily due to Rs. 9,686 million increase in derivative liabilities relating to mark to market losses on derivative instruments designated as cash flow/capital hedges and non-designated forward contracts.

The remaining increase is primarily due to subcontracting expenses, administrative expenses, withholding taxes, employee incentives etc which is in line with increase in employee base, infrastructure and business growth.

B. Provisions

(Rs. in Million)

Particulars	2009	2008	Increase (%)
Employee retirement benefits	**3,111**	2,737	14
Warranty provision	**989**	941	5
Provision for tax	**6,726**	4,013	68
Proposed Dividend	**5,860**	5,846	-
Tax on proposed dividend	**996**	993	-
Total	**17,682**	14,530	22

- Provisions of Rs. 3,111 million for employee retirement benefit relate to liability for employee leave encashment, gratuity and superannuation benefits.
- For fiscal 2009, the Directors of the Company have proposed a cash dividend of Rs. 4/- per share on equity shares.

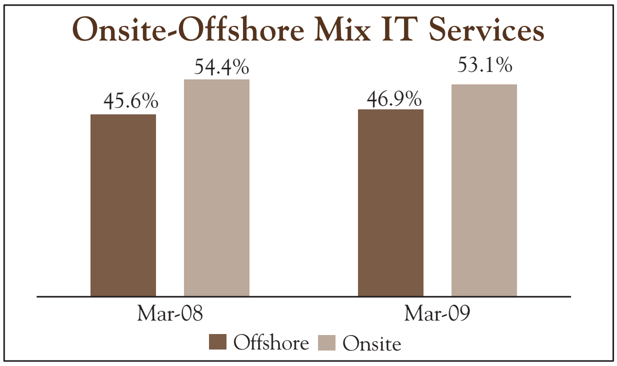
Revenue

IT Service

Our IT Services segment Revenue was Rs. 191,661 million as compared to Rs. 146,626 million in the last year, a growth of 31% as compared to last year.

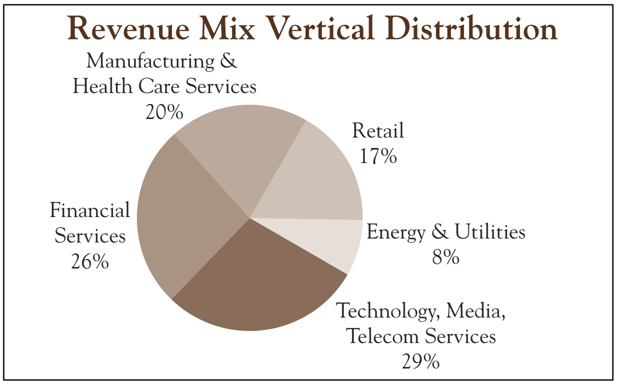
During the current year, we realised 53.1% of revenue from work done in locations outside India ("Onsite") and remaining 46.9% of revenue was realised from the work performed from our development centers in India ("Offshore").

Onsite-Offshore Mix



Approximately 34% of our IT Services Revenues were from Fixed Priced Projects ("FPP"). In FPP, we undertake to complete project within agreed timeline for a given scope of work. The economic gains or losses realised from completing the project earlier or later than initially projected timelines accrues to us. Percentage of FPP in the previous year was lower at 28%.

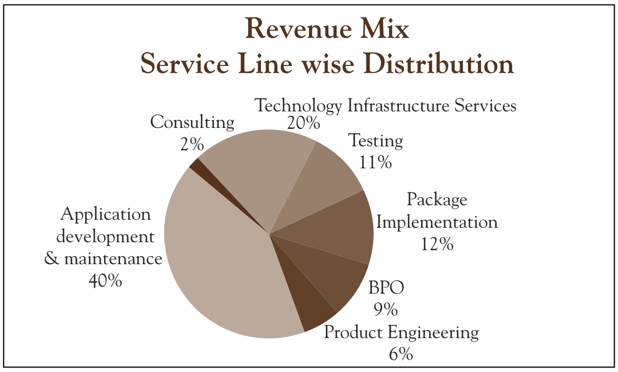
Revenue Mix Vertical Distribution



In the current year, 45% of our IT Services revenues is derived from our Enterprise Solutions Business, 2% increase over the previous year; 29% from Technology Business a reduction of 4% over the previous year and 26% of Revenues from Financial Solutions Business, an increase of 2% over the previous year.

Our Enterprise Solutions Business serves customers in all the other industry segments, principal being Retail, Manufacturing, Energy & Utilities, Healthcare Services. Our Technology Business provides product engineering services to product companies across the globe. It also provides enterprise IT services offering to Telecom Service Providers industry. Our Financial Solutions Business provides IT services to customers in Financial Services industry - namely, Banking, Securities and Insurance.

Revenue Mix Service Line wise Distribution



We continued to expand and grow our Services portfolio. For the current financial year, we derived 20% of Revenues from Technology Infrastructure Services, an increase of 3% from previous year; 11% from Testing Services at the same level as previous year; 12% from Package Implementation Services, a decrease of 1% over the previous year; 9% from BPO at th same level as previous year; 43% from Application Development & Maintenance (ADM) a reduction of 3% over the previous year; 2% Consulting Services, at the same level in the previous year and 6% from product engineering at the same level as previous year.

Based on geographical destination, 60% of our revenue came from the Americas, at the same level previous year; 26% from Europe, 2% over the previous year. Revenue from Japan at 3%, at the same level as in the previous year. Revenue from India and Middle East region at 8%, a increase of 1% over the previous year. Rest of the World contributed 4%, a decrease of 1% over the previous year.

The contribution of our top customer is at the same level as in the previous year. Our top customer contributed 3% of revenue, top 5 customers 11% of revenue, a decrease of 1% over the previous year and the top 10 customers accounted for 20% of the revenue, a decline of 1% over the previous year.

Revenue contributed by the customers added during the year was at 2%, at the same level as in the previous year.

IT Product

During the current year we grew our Products segment Revenues by 31%.

We grew across the board. Revenue from Personal Computers was 17% higher than in the previous year, Enterprise Products grew 27% and our network products grew 23%.

Consumer Care and Lighting segment

Revenues of our Consumer Care and Lighting segment grew by 37% in the current year over the previous year

Our revenue CAGR during last 4 years in this business has been 26% excluding acquisition during the year. Our flagship brand 'Santoor' is now India's 3rd largest soap brand by value.

Others segment

Revenues from Wipro Infrastructure Engineering (WIN) reduced by 25% during the current year over the previous year. This is mainly due to lower demand of capital goods in the current year due to economic slowdown.

Acquisitions

Details of the key acquisitions made by your Company during the year ended March 31, 2009 are as follows:

Sl. No.	Acquired Entity	Acquired during	Nature of business
IT Services and Products			
1	Wipro Technology Services	Jan-09	Engaged in Providing of Information Technology Service & solutions to CITI Group

In addition, the company has paid Rs. 1,765 million relating to certain other small acquisitions and earn-outs related to previous acquisitions.

Costs

IT Services

In our IT Services Business segment, manpower cost accounts for approximately 53% of the Revenues. Other major costs included Sub-contracted manpower cost, depreciation and employee-travel cost.

The operational drivers for these costs are Utilisation of employees, Onsite: Offshore composition and the composition of experience profile of employees called 'Bulge-mix'.

During the current year gross Utilisation was 69% compared to 67% an year ago. Our Offshore mix is 47%, as compared to 46% in the previous year. As of March 31, 2009 approximately 40% of our employees had less than 3 years of work-experience, as compared to 47% as of March 31, 2008.

IT Product

In our IT Products segment, material cost as a percentage of revenue was at approximately 88%.

Consumer Care and Lighting segment

In our Consumer Care and Lighting segment, the largest cost is packing material and manufacturing cost, accounting for 49% of the Revenues. Other key costs include advertising and sales promotion at 13% of Revenues and manpower cost at 9% of the Revenues.

Others segment

In this segment WIN is the largest component. For WIN the largest cost component is raw materials, accounting for approximately 55% of the Revenues, Material and manufacturing costs taken together accounts for 62% of the Revenues. Other key costs include manpower cost at 25% of Revenues and cost of sub-contracted processes at 4% of the Revenues.

Margins

IT Services

The gross margin was 32%, a marginal increase of 0.2% in comparison to last year. The improvement in gross margin as percentage of revenue is primarily on account of improvement in utilization rates and better exchange rate realization. Our average utilization of billable employees improved from 67% for the year ended March 31, 2008 to 69% for the year ended March 31, 2009. These improvements were offset by the increase in personnel costs due to annual salary increase.

At the Operating Margin (Profit before interest and tax) level the margins have declined marginally by 0.3%, from 21.3% in last year to 21% for financial year 2009.

IT Products

In this segment our gross margins for the current year was 11% a decline of 1% compared to the last year. This decline is primarily attributable to increase in the procurement cost of imported items due to depreciation of the Indian Rupee against U.S. Dollar during the year ended March 31, 2009. Our gross margin in this business segment is also impacted by the proportion of our business derived from the sale of traded and manufactured products.

Operating Margins during the year were at 4.3%, a decrease of 0.3% compared to previous year.

Consumer Care and Lighting segment

Our gross margin for this year was at 44% for this segment compared to 41% in the previous year. This increase was primarily due to an increase in the proportion of revenue from the range of products manufactured by Unza, which typically have higher gross margins.

Operating Margins for the current year was 12%, a decrease of 0.3% compared to previous year

Others

Operating Margins for our Wipro Infrastructure Engineering business for the current year was -2.5% against 9% in last financial year. This sector is impacted by sharp global slowdown in investment in multiple sectors, driven by economic uncertainty. However, fundamentals of this sector remains intact. Infrastructure spends in India, China and US would positively impact this business.

VIII. Liquidity and interest rate risk

As of March 31, 2009, we had cash and bank balances of Rs. 49,117 million, investments in liquid and short-term mutual funds and certificate of deposits of Rs. 16,083 million.

This cash is retained in the business to ensure specified level of cash balance to manage operations and pursue strategic acquisition opportunities. Our investment policy is to protect capital and focus on liquidity while determining the class of instruments to invest in. We primarily invest in debt mutual funds and deposits with financial institutions.

IX. Material developments in Human resources/Industrial Relations front (including number of people employed)

In our IT Services and Products Business segments, we had 97,810 employees, comprising 22,824 employees in BPO.

Attrition for the year in our IT Services business segment (excluding BPO operations, Indian IT operations and other overseas subsidiaries) was 13.2% compared with 16.8% last year. Voluntary attrition stood at 11.3% compared with 16.3% last year, while involuntary attrition was 1.9% compared with 0.5% last year.

Compensation/People practices

We have continued to develop innovative methods for accessing and attracting skilled professionals. We have designed our compensation to attract and retain top quality talent and motivate higher levels of performance. We have pioneered the concept of employee stock purchase program, we also have portion of compensation linked to performance of the business unit to which the employee belongs. We periodically reward high performers with long-term incentives in the form of restricted stock units (RSU). RSU is a powerful retention tool and aligns employees with the long-term goals of the Company.

REPORT OF CORPORATE GOVERNANCE 2008-09

The corporate governance philosophy of your Company is to ensure fairness and transparency in all dealings and in the functioning of the management and the Board. The Spirit of Wipro is derived from this philosophy. This has been articulated through the Company's Code of Business Conduct and Ethics, Corporate Governance guidelines, charters of various sub-committees of the Board and Company's Disclosure policy. These policies seek to focus on enhancement of long-term shareholder value without compromising on Ethical Standards and Corporate Social Responsibilities. These practices form an integral part of the Company's operating plans.

Corporate Governance philosophy is put into practice in Wipro through the following four layers, namely,

1. Governance by Shareholders,
2. Governance by Board of Directors,
3. Governance by Sub-committee of Board of Directors, and
4. Governance of the management process

FIRST LAYER: GOVERNANCE BY SHAREHOLDERS

Annual General Meeting

Annual General meeting for the 2008-09 is scheduled on **July 21, 2009, at 4.30 p.m.** The meeting will be conducted at **Wipro campus, Cafeteria Hall, EC-3, Ground Floor, Opp Tower 8, No.72, Keonics Electronics city, Hosur Road, Bangalore**

For shareholders convenience, transport arrangement is made from central points in the city to reach the venue. After the meeting, shareholders will be dropped back at their pick up location.

For those of you, who cannot make it to the meeting, please remember that you can appoint a proxy to represent you in the meeting. For this you need to fill in a proxy form and send it to us. The last date for receipt of proxy forms by us is July 19, 2009, before 4.30 pm.

Annual General Meetings and other General Body meeting of the last three years

For the year 2005-06, we had our Annual General Meeting on July 18, 2006, at 4.30.PM. The meeting was held at Wipro's Campus, Cafeteria Hall EC-3, Ground Floor, Opp. Tower 8, No. 72, Keonics Electronic City, Hosur Road, Bangalore - 561 229. Apart from the usual business, the following two resolutions were passed:

- Appointment of Mr. Bill Owens as the Director of the Company.
- Authorization for payment of remuneration to Non executive Directors by way of commission for a period of five years commencing from April 01, 2007 (Special Resolution).

For the year 2006-07, we had our Annual General Meeting on July 18, 2007, at 4.30.PM. The meeting was held at Wipro's Campus, Cafeteria Hall EC-3, Ground Floor, Opp. Tower 8, No. 72, Keonics Electronic City, Hosur Road, Bangalore - 561 229. Apart from the usual business, the following eight resolutions were passed (all were Special Resolutions):

- Re-appointment of Mr. Azim H. Premji as Chairman and Managing Director of the Company as well as the payment of salary, commission and perquisites.
- Appointment of Mr. Rishad Premji, son of Mr. Azim Premji, Chairman of the Company, to hold an Office or Place of Profit as the Business Manager.
- Amendment to the Wipro Employee Stock Option Plan 1999.
- Amendment to the Wipro Employee Stock Option Plan 2000.
- Amendment to ADS Stock Option Plan 2004.
- Amendment to Wipro Restricted Stock Unit Plan 2004.
- Amendment to Wipro Restricted Stock Unit Plan 2005.
- Amendment to ADS Restricted Stock Unit Plan 2004.
- Approval for the new Wipro Restricted Stock Unit Plan 2007.

On the same date at the same venue we had a **Court Convened Extraordinary General Meeting**. In this meeting the schemes of Amalgamation of Wipro Infrastructure Engineering Limited, Wipro Healthcare IT Limited and Quantech Global Services Limited with Wipro Limited; Mpact Technology Services India Private Limited, mPower Software Services (India) Private Limited, CMango India Private Limited with Wipro Limited were taken up.

For the year 2007-08, we had our Annual General Meeting on July 17, 2008, at 4.30.PM. The meeting was held at Wipro's Campus, Cafeteria Hall EC-3, Ground Floor, Opp. Tower 8, No. 72, Keonics Electronic City, Hosur Road, Bangalore - 561 229. Apart from the usual business, the following four resolutions were passed (all were Special Resolutions):

- Appointment of Mr. Suresh C Senapaty as Director of the Company and payment of remuneration.
- Appointment of Mr. Girish S Paranjpe as Director of the Company and payment of remuneration.
- Appointment of Mr. Suresh Vaswani as Director of the Company and payment of remuneration.
- Amendment to Articles of Association for increase in the number of directors.

Financial Calendar

Our tentative calendar for declaration of results for the financial year 2009-10 is as given below:

Table 1: Calendar for Reporting

Quarter ending	Release of results
For the quarter ending June 30, 2009	Third week of July 2009
For the quarter and half year ending September 30, 2009	Last week of October 2009
For the quarter and nine month ending December 31, 2009	Third week of January 2010
For the year ending March 31, 2010	Last week of April 2010

Final Dividend

Your Board of Directors has recommended a Final Dividend of Rs. 4/- per share on equity shares of Rs.2/- each

Date of Book closure

Our Register of members and share transfer books will remain closed from July 1, 2009 to July 21, 2009 (both days inclusive) to determine the entitlement of shareholders to receive the final Dividend as may be declared for the year ended March 31, 2009.

Final Dividend Payment Date

Dividend on equity shares as recommended by the Directors for the year ended March 31, 2009, when declared and approved at the meeting, will be paid on or before August 20, 2009;

(i) To those members whose names appear on the Company's register of members, after giving effect to all valid share transfers in physical form lodged with M/s Karvy Computershare Private Limited, Registrar and Share Transfer Agent of the Company on or before June 30, 2009.

(ii) In respect of shares held in electronic form, to those "deemed members" whose names appear in the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the opening hours on July 1, 2009.

ECS facility

The dividend remittance to shareholders happens predominantly through Electronic Clearing Service as per the locations approved by RBI from time to time. Company will also continue to explore the possibility of remitting the dividend electronically using ECS details.

1. If you are located at any of the above ECS centers and have not registered your ECS, please arrange to forward your ECS mandate to your DP if the shares are held in demat mode, or to the Company/Registrars, if the shares are held in physical form, immediately.
2. Even if you are not located at the above ECS centers, please register your ECS (as stated in point 1 above), as the Company and its bankers will make best endeavors to remit dividend electronically by other electronic modes.
3. If your bank particulars have changed for any reason, please arrange to register the ECS with the revised bank particulars.

The Company will continue to use the ECS mandate for remittance of dividend either through ECS or other electronic modes failing which the bank details will be printed on the dividend warrant. All the arrangements are subject to RBI guidelines, issued from time to time.

Special Resolution passed during the Financial Year 2008-09 through the Postal Ballot Procedure

There was no Special Resolution passed through postal ballot procedure for the year 2008-09. For the financial year 2009-10, if any resolution needs to be conducted through the Postal Ballot mechanism, we will take it up at the appropriate time.

Awards and Rating

The Company has been awarded the highest rating of Stakeholder Value and Corporate Rating Practices 1 (called SVG 1) by ICRA Limited, a rating agency in India being an associate of Moody's. This rating implies that the Company belongs to the Highest Category on the composite parameters of stakeholder value creation and management as also Corporate Governance practices.

The Company has also been assigned LAAA rating to Wipro's long term credit. This is the highest credit quality rating assigned by ICRA Limited to long term instruments.

The Company was ranked among the Top 5 in Greenpeace International Ranking Guide and regained its top position among Indian IT Brands

Corporate Social Responsibility and Sustainability Reporting

Wipro's sustainability reporting articulates our perspective on the emerging forces in the global sustainability landscape and Wipro's response on multiple fronts. For each of the three dimensions of economic, ecological and social sustainability, we state the possible risks as well as the opportunities that we are trying to leverage. We presented a summary of our performance on 10 key sustainability dimensions in our Sustainability Reporting – Resource efficiency, Climate Change, Pollution and Waste, Ecological stewardship, People Development, Safety and health , Diversity, Human Rights, Social Capital (Education) and Indirect Economic Impact. We also articulated Wipro's sustainability goals on these same dimensions. Sustainability is a collaborative exercise where many stakeholders have a critical role to play. Wipro's alignment with overarching global charters and programs on sustainability is brought out by our endorsement of charters and membership in key bodies that are leading the way e.g. we are members of several forums like the U.N.Global Compact, the CII Mission on Sustainable Development etc.

Your Company's Sustainability Report for 2007-08 has been assessed by DNV at the A+ level, which represents the highest levels of transparency, coverage and quality of reporting.

Shareholders' Satisfaction Survey

The Company conducted a Shareholders' Satisfaction survey in July 2008 seeking views on various matters relating to investor services.

About 2,040 shareholders participated and responded to the survey. The analysis of the responses reflects an average rating of about 3.30 on a scale of 1 to 5. Around 77% of the shareholders who participated in the survey indicated that the services rendered by the Company were good/excellent and were satisfied.

We are constantly in the process of enhancing our service levels to further improve the satisfaction levels based on the feedback received from our shareholders.

Means of Communication with Shareholders/Analysts

We have established procedures to disseminate, in a planned manner, relevant information to our shareholders, analysts, employees and the society at large.

Our Audit Committee reviews the earnings press releases, SEC filings and annual and quarterly reports of the Company, before they are presented to the Board of Directors for their approval for release.

News Releases, Presentations, etc.: All our news releases and presentations made at investor conferences and to analysts are posted on the Company's website at www.wipro.com/investors.

Quarterly results: Our quarterly results are published in widely circulated national newspapers such as The Business Standard, Business Line and the local daily Kannada Prabha.

SEBI Edifar: The Quarterly Results, Shareholding Pattern and Annual Report of the Company are also posted on SEBI's website: www.sebiedifar.nic.in and www.corpfiling.co.in.

Website: The Company's website www.wipro.com contains a separate dedicated section "Investors" where shareholders information is available. The Annual report of the Company, earnings press releases, SEC filings, quarterly reports of the Company and on-line share price information etc. are also available on the website in a user-friendly and downloadable form.

Annual Report: Annual Report containing audited abridged financial statements, consolidated financial statements together with Directors' report, Auditors' report and other important information are circulated to members and others entitled thereto.

Table 2: Communication of Results

Means of communications	Number of times
Earnings Calls	8
Publication of results	4
Analysts meet	2

Listing on Stock Exchanges, Stock Codes, International Securities Identification Number (ISIN) and Cusip Number for ADRs

During the year, the Company obtained the approval for delisting of its shares from The Calcutta Stock Exchange Association Ltd.

Your company's shares are listed in the following exchanges as of March 31, 2009 and the stock codes are as follows:

Table 3: Stock codes

Equity shares	Stock Codes
Bombay Stock Exchange Limited (BSE)	507685
National Stock Exchange of India Limited (NSE)	Wipro
American Depository Receipts	
New York Stock Exchange (NYSE)	WIT

Notes:

1. Listing fees for the year 2009-10 has been paid to the Indian Stock Exchanges
2. Listing fees to NYSE for the calendar year 2009 has been paid
3. The stock code on Reuters is WPRO@IN and on Bloomberg is WIPR.BO

International Securities Identification Number (ISIN)

ISIN is an identification number for traded scrip. This number needs to be quoted in each transaction relating to the dematerialized equity shares of the Company. Our ISIN number for our equity shares is INE075A01022.

CUSIP Number for American Depository Shares

The Committee on Uniform Security Identification Procedures (CUSIP) of the American Bankers Association has developed a unique numbering system for American Depository Shares. This number identifies a security and its issuer and is recognized globally by organizations adhering to standards issued by the International Securities Organization. Cusip number for our American Depository Scrip is 97651M109.

Corporate Identity Number (CIN)

Our Corporate Identity Number (CIN), allotted by Ministry of Company Affairs, Government of India is L99999KA1945PLC020800, and our Company Registration Number is 20800.

Registrar and Transfer Agents

Your Board of Directors have delegated the power of share transfer and related operations to Karvy Computershare Pvt. Ltd., Hyderabad, our Registrar and Share Transfer Agents.

Share Transfer System

Your Board has delegated the power of share transfer to Registrar and Share Transfer Agents for processing of share transfers to Karvy Computershare Pvt. Ltd, Registrars of the Company at the address given below. The turnaround time for completion of transfer of shares in physical form is generally less than 7 days from the date of receipt, if the documents are clear in all respects.

We have internally fixed turnaround times for closing the queries/ complaints received from the shareholders within 7 days.

Address for correspondence

All correspondence relating to the shares of the Company should be addressed to Karvy at the address given below.

Karvy Computershare Private Ltd.
Karvy House
Karvy Computer Share Private Limited,
Unit: Wipro Limited,
Plot no: 17-24, Vittal Rao Nagar,
Madhapur,
Hyderabad: 500 081.
Tel: 91 40 23420815
Fax: 91 40 23420814
Email id: mahender@karvy.com
Contact person: Mr. V Jayaraman or Mr. R Mahender Reddy.

Overseas depository for ADSs
JP Morgan Chase Bank
60, Wall Street
New York, NY 10260
Tel: +1 212 648 3208
Fax: +1 212 648 5576

Indian custodian for ADSs
ICICI Bank Limited
Bandra Kurla Complex,
Mumbai 400 051
Tel: 91 22 26531414
Fax: 91 22 26531165

Web-based Query Redressal System

Members may utilize this new facility extended by the Registrars & Transfer Agents for redressal of their queries.

Please visit **http://karisma.karvy.com** and click on "investors" option for query registration through free identity registration to log on. Investor can submit the query in the "QUERIES" option provided on the web-site, which would give the grievance registration number. For accessing the status/response to your query, please use the same number at the option "VIEW REPLY" after 24 hours. The investors can continue to put additional queries relating to the case till they are satisfied.

Shareholders can also send their correspondence to the Company with respect to their shares, dividend, request for annual reports and shareholder grievance and the contact details are provided in the next column:

Mr. V Ramachandran, Company Secretary, Wipro Limited, Doddakannelli, Sarjapur Road, Bangalore 560 035, Ph: 91 80 28440011 (Extn 226185), Fax 91 80 28440051 Email: ramachandran.venkatesan@wipro.com

Mr G Kothandaraman, Senior Manager-Secretarial & Compliance, Wipro Limited, Doddakannelli, Sarjapur Road, Bangalore 560 035, Ph:91 80 28440011 (Extn 226185), Fax 91 80 28440051

Email: kothandaraman.gopal@wipro.com

Shareholder grievance can also be sent through email to the following designated email id: mailmanager@karvy.com by quoting your Folio No./Client ID/DP ID.

Analysts can reach our Investor Relations Team for any queries and clarification on financial related matters at the address given below:

Mr. Rajendra Kumar Shreemal, Vice President & Corporate Treasurer Wipro Limited, Doddakannelli, Sarjapur Road, Bangalore 560 035, Ph: 91 80 28440011 (Extn 226186), Fax 91 80 28440051 Email: rajendra.shreemal@wipro.com

Mr R Sridhar,CFO & Investor Relations, Americas & Europe, Wipro Limited, East Brunswick, Tower 2, New Jersey, US Ph: +1 650-316-3537, Email : sridhar.ramasubbu@wipro.com

Description of voting rights

All our shares carry voting rights on a pari-passu basis.

Table 04: Distribution of Shareholding and categories of Shareholders as per Clause 35 of the Listing Agreement

	31-Mar-09				31-Mar-08			
Category	No of Share-holders	%age of Shares	No. of Shares	% of Total Equity	No of Share-holders	%age of Shares	No. of Shares	% of Total Equity
0-5000	224,776	98.39	18,553,901	1.27	228,578	98.13	19,749,421	1.35
5001 - 10000	1,554	0.68	5,569,668	0.38	1,801	0.77	6,582,974	0.45
10001 - 20000	957	0.42	6,752,389	0.46	1,144	0.49	8,086,210	0.55
20001 - 30000	330	0.14	4,057,428	0.28	439	0.19	5,431,257	0.37
30001 - 40000	161	0.07	2,834,328	0.19	257	0.11	4,501,626	0.31
40001 - 50000	89	0.04	1,997,580	0.14	125	0.05	2,800,338	0.19
50001 - 100000	195	0.09	6,750,762	0.46	214	0.10	7,311,099	0.50
100001 and above	394	0.17	1,418,464,690	96.82	374	0.16	1,406,990,395	96.28
Total	228,456	100.00	1,464,980,746	100.00	232,932	100.00	1,461,453,320	100.00

Table 05: Distribution of shareholding – City-wise

Name of the City	Number of Shareholders	%	Number of Shares	%
AHMEDABAD	9,069	3.97	992,680	0.07
ANAND	951	0.42	97,810	0.01
AURANGABAD	428	0.19	106,633	0.01
BANGALORE	21,053	9.22	1,194,258,148	81.52
BHAVNAGAR	519	0.23	158,372	0.01
BHOPAL	952	0.42	78,128	0.01
BHUSAWAL	557	0.24	1,142,816	0.08
CALCUTTA	8,135	3.56	811,389	0.06
CHANDIGARH	863	0.38	145,924	0.01
CHENNAI	10,555	4.62	4,167,686	0.28

Name of the City	Number of Shareholders	%	Number of Shares	%
COCHIN	1,143	0.50	235,012	0.02
COIMBATORE	1,397	0.61	123,980	0.01
DOMBIVALI	1,385	0.61	97,022	0.01
GANDHI NAGAR	1,746	0.76	100,237	0.01
GHAZIABAD	869	0.38	96,652	0.01
GURGAON	1,292	0.57	279,638	0.02
HUBLI	587	0.26	85,678	0.01
HYDERABAD	6,474	2.83	1,875,089	0.13
INDORE	1,168	0.51	110,295	0.01
JAIPUR	1,570	0.69	108,957	0.01
JALGAON	484	0.21	2,475,547	0.17
JAMSHEDPUR	612	0.27	80,795	0.01
KALYAN	1,150	0.50	216,644	0.01
KANPUR	1,183	0.52	93,542	0.01
KHANDWA	44	0.02	134,919	0.01
LUCKNOW	1,654	0.72	137,014	0.01
MADURAI	680	0.30	77,372	0.01
MANGALORE	1,638	0.72	186,736	0.01
MORBI	97	0.04	121,982	0.01
MUMBAI	42,672	18.68	230,498,951	15.73
MYSORE	1,023	0.45	119,865	0.01
NAGPUR	1,464	0.64	185,479	0.01
NASIK	1,541	0.67	112,290	0.01
NAVI MUMBAI	1,777	0.78	218,486	0.01
NEW DELHI	11,336	4.96	2,454,285	0.17
NOIDA	1,216	0.53	114,374	0.01
PANAJI	581	0.25	76,778	0.01
PUNE	11,094	4.86	1,770,497	0.12
RAJKOT	1,436	0.63	173,458	0.01
SALEM	641	0.28	91,537	0.01
SURAT	4,151	1.82	11,876,187	0.81
THANE	4,586	2.01	520,817	0.04
TRIVANDRUM	865	0.38	80,155	0.01
VADODARA	4,095	1.79	512,981	0.04
VALSAD	603	0.26	338,108	0.02
VIRUDHUNAGAR	149	0.07	105,738	0.01
VISAKHAPATNAM	679	0.30	89,517	0.01
OTHERS	60,292	26.39	7,044,546	0.48
Total:	**228,456**	**100.00**	**1,464,980,746**	**100.00**

Shareholding pattern of the Company as on 31st March, 2009

Category code (I)	Category of shareholder (II)	Number of shareholders (III)	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered only by shareholder of promoter or promoter group	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares	As a Percentage
(A)	**Shareholding of Promoter and Promoter Group**							
(1)	**Indian**							
(a)	Individuals/ Hindu Undivided Family	4	57,457,660	57,158,460	3.99	3.92	Nil	Nil
(b)	Central Government/ State Government(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Bodies Corporate (Promoter in his capacity as Director of Private Limited Companies)	3	128,137,800	128,137,800	8.89	8.75		
(d)	Financial Institutions/ Banks	-	-	-	-	-		
(e)	Any Other - Partnership firms (Promoter in his capacity as partner of Partnership firms)	3	975,520,800	975,520,800	67.68	66.59	Nil	Nil
	Sub-Total (A)(1)	**10**	**1,161,116,260**	**1,160,817,060**	**80.56**	**79.26**	**Nil**	**Nil**
(2)	**Foreign**							
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-		
(b)	Bodies Corporate	Nil	Nil	Nil	Nil	Nil		
(c)	Institutions	Nil	Nil	Nil	Nil	Nil		
(d)	Any Other (specify)	Nil	Nil	Nil	Nil	Nil		
	Sub-Total (A)(2)	Nil	Nil	Nil	Nil	Nil		
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**10**	**1,161,116,260**	**1,160,817,060**	**80.56**	**79.26**	-	-
(B)	**Public Shareholding**						-	-
(1)	**Institutions**						-	-
(a)	Mutual Funds/ UTI	68	9,935,298	9,935,298	0.69	0.68		
(b)	Financial Institutions/ Banks	25	1,037,284	1,037,284	0.07	0.07		
(c)	Central Government/ State Government(s)	-	-	-	-	-		
(d)	Venture Capital Funds	Nil	Nil	Nil	Nil			
(e)	Insurance Companies	1	18,485,461	18,485,461	1.29	1.26		
(f)	Foreign Institutional Investors (exclusive of ADR)	181	86,547,127	86,547,127	6.00	5.91		
(g)	Foreign Venture Capital Investors	-	-	-	-	-		
(h)	Any Other (specify)	-	-	-	-	-		
	Sub-Total (B)(1)	**275**	**116,005,170**	**116,005,170**	**8.05**	**7.92**		
(2)	**Non-institutions**						-	-
(a)	Bodies Corporate *	1,820	48,522,588	38,078,286	3.37	3.31		
(b)	Individuals -							
(c)	i. Individual shareholders holding nominal share capital up to Rs. 1 lakh.	221,888	40,120,273	38,523,263	2.78	2.74		

Category code (I)	Category of shareholder (II)	Number of shareholders (III)	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered only by shareholder of promoter or promoter group	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of Shares	As a Percentage
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	199	50,787,146	31,752,666	3.52	3.47		
	Any Other (specify)							
	(i) Non resident Indians	4,052	14,930,259	4,596,459	1.04	1.02		
	(ii) Trusts *** (a) Wipro Inc Benefit Trust (b) Other Trust	 1 20	 968,803 7,966,929	 - 7,966,929	 0.07 0.55	 0.07 0.54		
	(iii) Non Executive Directors and Executive Directors & Relatives**	6	182,018	182,018	0.01	0.01		
	(iv) Clearing Members	173	668,675	668,675	0.05	0.04		
	(v) Foreign Nationals	11	20,574	20,574	0.00	0.00		
	Sub-Total (B)(2)	**228,170**	**164,167,265**	**121,788,870**	**11.39**	**11.20**		
	Total Public Shareholding (B)= (B)(1)+(B)(2)	228,445	280,172,435	237,794,040	19.44	19.12	-	-
	TOTAL (A)+(B)	**228,455**	**1,441,288,695**	**1,398,611,100**	**100.00**	**98.38**	-	-
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**	1	23,692,051	23,692,051	1.64	1.62	-	-
	GRAND TOTAL (A)+(B)+(C)	**228,456**	**1,464,980,746**	**1,422,303,151**		**100**	-	-

Note: "Promoter shareholding" and "Promoter Group" and "Public shareholding" as per Clause 40A of the Listing Agreement.

The details of outstanding employee stock options as on March 31, 2009 are provided in Annexure B to the Director's Report, as per SEBI (ESOP & ESPP) Guidelines, 1999 as amended from time to time..

Dematerialization of shares and liquidity

About 97% of outstanding equity has been dematerialized upto March 31, 2009,

Table 06: List of top ten shareholders of the Company as at March 31, 2009

Sl. No.	Name of the Shareholder	No. of Shares	%
1	Mr. Azim H Premji partner representing Hasham Traders	326,259,000	22.27
2	Mr Azim H Premji partner representing Prazim Traders	325,017,000	22.19
3	Mr Azim H Premji partner representing Zash Traders	324,244,800	22.13
4.	Azim H Premji	*57,457,660	3.92
5	Regal Investment Trading Company Pvt. Ltd.	51,014,200	3.48
6	Vidya Investment Trading Company Pvt. Ltd.	38,860,600	2.65
7	Napean Trading Investment Company Pvt. Ltd.	38,263,000	2.61
8	HSBC Global Investment Funds A/c HSBC Global Investment Funds Mauritius Limited	24,818,069	1.69
9	J P Morgan Chase Bank as custodian for ADR holders	23,692,051	1.62
10	Life Insurance Corporation of India	18,485,461	1.26

*Includes shares held jointly with relatives

SECOND LAYER: GOVERNANCE BY THE BOARD OF DIRECTORS

As on March 31, 2009, we had six non-executive Directors, three executive Directors and one executive Director cum Chairman of our Board. All the six non-executive directors are independent directors i.e. independent of management and free from any business or other relationship that could materially influence their judgment. All the independent directors satisfy the criteria of independence as defined under listing agreement with Indian Stock Exchanges and New York Stock Exchange Corporate Governance standards. The profile of our Directors is given below as of March 31, 2009.

Azim H. Premji has served as our Chief Executive Officer, Chairman and Managing Director (designated as Chairman) since September 1968. Mr. Premji holds a Bachelor of Science, or B.S. in Electrical Engineering from Stanford University, U.S.A.

Dr. Ashok Ganguly has served as a Director on our Board since 1999. He is currently the Chairman of Firstsource Solutions

Limited and ABP Private Limited (Ananda Bazar Patrika Group) and has been a Director on the Central Board of Reserve Bank of India, since November 2000. Dr Ganguly currently also serves as a non-executive director of Mahindra & Mahindra, ICICI Knowledge Park and Tata AIG Life Insurance Co Limited and a Director on the Advisory Board of Microsoft Corporation (India) Private Limited and Hemogenomics Private Limited. He is a member of the Prime Minister's Council on Trade and Industry as well as the Investment Commission and the India-USA CEO Council, set up by the Prime Minister of India and the President of the U.S.A. He is also a member of the National Knowledge Commission to the Prime Minister of India. He is a former member of the Board of British Airways Plc (1996-2005) and Unilever Plc/NV (1990-97). Dr Ganguly was formerly Chairman of Hindustan Unilever Limited (1980-90). In 2006, Dr Ganguly was awarded the CBE (Hon) by the United Kingdom. In 2008, Dr Ganguly received the Economic Times Lifetime Achievement Award and, more recently, he was the recipient of the Padma Vibhushan, India's second highest civilian award.

B.C. Prabhakar has served as a Director on our Board since February 1997. He has been a practicing lawyer since April 1970. Mr. Prabhakar holds a B.A. in Political Science and Sociology and a BL. from Mysore University, India. Mr. B C Prabhakar serves as a non-executive Director of Automotive Axles Limited and 3M India Limited.

Dr. Jagdish N. Sheth has served as a Director on our Board since January 1999. He has been a professor at Emory University since July 1991. Dr Sheth is also on the Boards of Innovolt Inc., Adayana Inc, Shasun Chemicals and Drugs Limited and Shasun Pharma Solutions Limited (UK). Dr. Sheth holds a B. Com (Honors) from Madras University, India, a M.B.A. and a Ph.D in Behavioral Sciences from the University of Pittsburgh, U.S.A.

Narayanan Vaghul has served as a Director on our Board since June 1997. He was the Chairman of the Board of ICICI Bank Limited from September 1985 till April 2009. Mr. Vaghul is also on the Boards of Mahindra and Mahindra Ltd., Mahindra World City Developers Limited, Piramal Healthcare Limited, National Aviation Company of India Limited, IAL Airport Services Limited, Air India Air Transport Services Limited, Air India Engineering Services Limited and Apollo Hospitals Enterprise Limited. Mr. Vaghul is the Chairman of the Compensation Committee of Mahindra and Mahindra Limited and Nicholas Piramal India Limited. Mr. N Vaghul is also a member of the Audit Committee in Nicholas Piramal India Limited. Mr. N. Vaghul is also the lead independent Director of our Company. Mr. Vaghul holds Bachelor (Honors) degree in Commerce from Madras University.

Priya Mohan Sinha became a Director of our Company on January 1, 2002. He has served as the Chairman of PepsiCo India Holdings Limited and President of Pepsi Foods Limited since July 1992. From October 1981 to November 1992, he was on the Executive Board of Directors of Hindustan Lever Limited. From 1981 to 1985 he also served as Sales Director of Hindustan Lever. Currently, he is also on the Boards of ICICI Bank Limited, Bata India Limited, Lafarge India Pvt. Limited and Azim Premji Foundation. Mr. Sinha holds a Bachelor of Arts from Patna University and he has also attended Advanced Management Program in the Sloan School of Management, Massachusetts Institute of Technology, U.S.A. Mr Sinha is also the Chairman of the Nomination, Governance and Compensation Committee of Bata India Limited. Mr. Sinha is also on the Advisory Board of Rieter.

William Arthur Owens has held senior leadership positions at large multinational corporations. From April 2004 to November 2005, Mr. Owens served as Chief Executive Officer and Vice Chairman of the Board of Directors of Nortel Networks Corporation, a networking communications company. From August 1998 to April 2004, Mr. Owens served as Chairman of the Board of Directors and Chief Executive Officer of Teledesic LLC, a satellite communications company. From June 1996 to August 1998, Mr. Owens served as President, Chief Operating Officer and Vice Chairman of the Board of Directors of Science Applications International Corporation (SAIC), a research and engineering firm. Presently, Mr. Owens serves as a member of the Board of Directors of Polycom Inc., a media communications company; Embarq, Intelius and Force 10. Mr. Owens holds a 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. Mr Owens has been a director in the company from July 1, 2006.

Mr. Suresh C. Senapaty has served as our Chief Financial Officer and Executive Director since April 2008 and served with us in other positions since April 1980. Mr. Senapaty holds a B. Com. from Utkal University in India, and is a Fellow Member of the Institute of Chartered Accountants of India. Mr Senapaty is on the Boards of the following India subsidiary companies: Wipro Trademarks Holding Limited, Wipro Chandrika Limited, Wipro Travel Services Limited, Cygnus Negri Investments Private Limited, Wipro Technology Services Limited, Wipro Consumer Care Limited and Wipro GE Healthcare Private Limited. Mr Senapaty is also a member of the Audit Committee of Wipro Technology Services Limited.

Mr. Suresh Vaswani has served as our Joint CEO (IT Business) and Executive Director since April 2008 and served with us in other positions since 1985. Mr. Vaswani holds a Bachelor of Technology, or B.Tech. from the Indian Institute of Technology, or IIT, Kharagpur, India and a Post Graduate Diploma in Management from the Indian Institute of Management, Ahmedabad, India.

Mr. Girish S. Paranjpe has served as our Joint CEO (IT Business) and Executive Director since April 2008 and served with us in other positions since 1990. Mr. Paranjpe holds a B.Com. from Bombay University, India and is a Fellow Member of Institute of Chartered Accountants of India and Institute of Cost and Works Accountants of India.

All our directors inform the Board every year about the Board membership and Board Committee membership they occupy in other companies including Chairmanships. They notify us of any change as and when they take place. These disclosures are placed at the Board Meeting.

Information flow to the Board Members

We present our annual Strategic Plan and Operating Plans of our businesses to the Board for their review, inputs and approval. Likewise, our quarterly financial statements and annual financial statements are first presented to the audit committee and subsequently to the Board of Directors for their approval. In addition specific cases of acquisitions, important managerial decisions, and statutory matters are presented to the Board and Committees for their approval.

As a system, in most cases information to directors is submitted along with the agenda papers well in advance of the Board meeting. In some instances documents are tabled during the course of the Board meetings or the appropriate Committees of the Board.

We schedule meetings of our business heads and functional heads with the Directors prior to the Board meeting dates. These meetings facilitate Directors to provide their inputs and suggestions on various strategic and operational matters directly to the business and functional heads. Meeting with directors enthuse and motivate our business leaders.

Board Meetings

We decide on the board meeting dates in consultation with Board Governance & Compensation Committee and all our directors, considering the practices of earlier years. Once approved by the Board Governance & Compensation Committee, the schedule of the Board meeting and Board Committee meetings is communicated in advance to the Directors to enable them to schedule their meetings.

Our Board met four times in the financial year 2008-09, on April 17-18, July 17-18, October 21-22 and January 19-21.

Our Board meetings are normally scheduled for two days.

Post-meeting follow-up system

After the board meetings, we have a formal system of follow up, review and reporting on actions taken by the management on the decisions of the Board and sub-committees of the Board.

Disclosure of materially significant related party transactions

During the year 2008-09, no transactions of material nature had been entered into by the Company with the Management or their relatives that may have a potential conflict with interest of the Company. None of the Non-Executive Directors have any pecuniary material relationship or material transaction with the Company for the year ended March 31, 2009, and have given undertakings to that effect.

Details of transactions of a material nature with any of the related parties (including transactions where Directors may have a pecuniary interest) as specified in Accounting Standard 18 of the Companies (Accounting Standards) Rules, 2006, have been reported in the Notes to the Accounts and they are not in conflict with the interest of the Company at large.

Register under Section 301 of the Companies Act, 1956 is maintained and particulars of transactions are entered in the Register, wherever applicable.

Such transactions are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters.

Details of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

The Company has complied with the requirements of the Stock Exchange or SEBI on matters related to Capital Markets, as applicable.

Whistle Blower policy and affirmation that no personnel has been denied access to the Audit/Risk and Compliance Committee

The Company has adopted an Ombuds process which is a channel for receiving and redressing of employees' complaints. The details are provided in the section titled compliance with non-mandatory requirements of this report. No personnel of the Company were denied access to the Audit/Risk and Compliance Committee.

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause

Your Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement. The details of these compliances have been given in the relevant sections of this Report. The status on compliance with the Non mandatory requirements is given at the end of the Report.

Lead Independent Director

The Board of Directors of the Company have designated Mr N Vaghul as the Lead Independent Director. The role of the Lead Independent Director is as described in the Corporate Governance guidelines of your company.

Particulars of directors proposed for re-appointment

Mr B C Prabhakar, Dr Jagdish N Sheth and Mr William Arthur Owens, Directors, retire by rotation and being eligible offer themselves for re-appointment at this Annual General Meeting. The Board Governance and Compensation Committee have recommended their re-appointment for consideration of the Shareholders.

Brief resume of the Directors proposed for re-appointment at the ensuing Annual General Meeting is provided as an Annexure to the Notice convening the Annual General Meeting.

Remuneration Policy and criteria of making payments Directors

Compensation Committee recommends the remuneration, including the commission based on the net profits of the Company for the Chairman and Managing Director and Executive Directors. This is then approved by the Board and shareholders. Prior approval of shareholders are obtained in case of remuneration to non executive directors.

The remuneration paid to Chairman and Managing Director and Executive Directors is determined keeping in view the industry benchmark, the relative performance of the Company to the industry performance, and macro economic review on remuneration packages of Senior Executives of other organizations. Perquisites and retirement benefits are paid according to the Company policy as applicable to all employees.

Independent Non-Executive Directors are appointed for their professional expertise in their individual capacity as independent professionals / Business Executives. Independent Non Executive Directors receive sitting fees for attending the meeting of the Board and Board Committees and commission as approved by the Board and shareholders. This remuneration is limited to a fixed sum payable as approved by the Board subject to the condition that cumulatively it shall not exceed 1% of the net profits of the Company for all Independent Non Executive Directors in aggregate for one financial year.

The remuneration by way of commission paid to the independent non-executive directors is determined based on the industry benchmarks.

Details of Remuneration to all Directors

Table 07 provides the remuneration paid to the Directors for the services rendered during the financial year 2008-09.

No stock options were granted to any of the Independent Non Executive Directors during the year 2008-09.

Stock options and Restricted Stock Units awarded during the year 2008-09 to Executive Directors are provided in the table 07 below:

Table 07: Directors remuneration paid and grant of stock options during the financial year 2008-09

	Azim H. Premji	N. Vaghul	B. C. Prabhakar	Dr. Jagdish N Sheth*	Dr. Ashok S. Ganguly	P. M. Sinha	Bill Owens*	Suresh C. Senapaty	Girish S. Paranjape	Suresh Vaswani
Category	Promoter Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Independent Non-Executive Director	Executive Director	Executive Director	Executive Director
Relationship with directors	None	None	None	None	None	None	None	None	None	None
Salary	3,000,000							3,527,100	3,701,000	3,944,700
Allowances	1,310,184							7,429,703	6,593,472	6,688,919
Commission/ Incentives	5,377,460	1,933,334	1,000,000	3,790,000	1,733,333	1,533,333	4,690,000	6,076,060	7,678,517	8,239,888
Other annual compensation	3,383,023							1,517,204	516,274	671,546
Deferred benefits	1,478,184							1,708,779	1,792,420	1,825,711
Stock options granted during the year	-	-	-	-	-	-	-	-	60,000	60,000
Restricted stock units granted during the year	-	-	-	-	-	-	-	50,000	50,000	50,000
Sitting fees	-	200,000	220,000	60,000	120,000	200,000	60,000	-	-	-
Notice period	Upto 6 months	-	-	-	-	-	-	Upto 6 months	Upto 6 months	Upto 6 months

* Figures mentioned are rupee equivalent – as amounts payable in US$

Table 08: Key Information pertaining to directorships, shareholdings etc. of directors as on March 31, 2009

	Azim H. Premji	N. Vaghul	B. C. Prabhakar	Dr. Jagdish N Sheth	Dr. Ashok S Ganguly	P. M. Sinha	Bill Owens	Suresh C. Senapaty	Girish S. Paranjape	Suresh Vaswani
Category	**Promoter Director**	**Independent Non-Executive Director**	**Independent Non-Executive Director**	**Independent Non-Executive Director**	**Independent Non-Executive Director**	**Independent Non-Executive Director**	**Independent Non-Executive Director**	**Executive Director**	**Executive Director**	**Executive Director**
Date of appointment	01.09.1968	09.06.1997	20.02.1997	01.01.1999	01.01.1999	01.01.2002	01.07.2006	18.04.2008	18.04.2008	18.04.2008
Directorship in other companies	11	11	2	2	8	3	-	7	-	-
Chairmanship in Committees of Board of other companies	-	3	-	-	3	2	-	-	-	-
Membership in Committees of Board of other companies	-	3	3	1	1	2	-	1	-	-
No. of Board meetings attended	4	4	4	4	4	4	4	4	4	4
Attendance at the last AGM held on July 17, 2008	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Number of shares held as on March 31, 2009*	57,457,660	-	3,000	-	1,000	20,000	-	1,00,050	12,000	45,968
Director Identification number	00234280	00002014	00040052	00332717	00010812	00035257	00422976	00018711	02172725	02176528

- This does not include foreign companies and companies under Section 25 of the Companies Act, 1956 but includes private companies.
- None of the Directors of our Company were members in more than 10 committees nor acted as chairman of more than five committees across all companies in which they were Directors. The committee membership and committee chairmanship shown above includes Audit Committee, Compensation Committee, Board Governance/Nomination Committee and Shareholders and Investor Grievance Committee.

* Includes share held jointly with immediate family members.

THIRD LAYER: GOVERNANCE BY THE SUB-COMMITTEE OF THE BOARD OF DIRECTORS

Our Board has constituted sub-committees to focus on specific areas and make informed decisions within the authority delegated to each of the Committees. Each Committee of the Board is guided by its Charter, which defines the scope, powers and composition of the Committee. All decisions and recommendations of the Committees are placed before the Board either for information or approval.

We had three sub-committees of the Board as at March 31, 2009.

1. Audit Committee
2. Board Governance and Compensation Committee
3. Administrative/Shareholders' Grievance

With effect from April 22, 2009 the above sub-committees were re-named/re-constituted as under:

1. Audit/Risk and Compliance Committee
2. Board Governance and Nomination Committee
3. Compensation Committee
4. Administrative/Shareholders' Grievance Committee

During the year, Charters of the Committees were reviewed extensively and suitable modifications were recommended to the Board which approved such changes with effective from April 22, 2009. These charters are available in our website www.wipro.com/Investors.

Audit/Risk and Compliance Committee

The Audit Committee of our Board of Directors, which was formed in 1987, reviews, acts on and reports to our Board of Directors with respect to various auditing and accounting matters. This Committee was renamed as Audit/Risk and Compliance Committee with effect from April 22, 2009. The primary responsibilities, inter-alia, are:

- Auditing and accounting matters, including recommending the appointment of our independent auditors to the shareholders,
- Compliance with legal and statutory requirements,
- Integrity of the Company's financial statements, discussing with the independent auditors the scope of the annual audits, and fees to be paid to the independent auditors,
- Performance of the Company's Internal Audit function, Independent Auditors and accounting practices
- Review of related party transactions, functioning of Whistle Blower mechanism, and
- Implementation of the applicable provisions of the Sarbanes Oxley Act, 2002 including review on the progress of internal control mechanisms to prepare for certification under Section 404 of the Sarbanes Oxley Act, 2002.

The Chairman of the Audit/Risk and Compliance Committee is present at the Annual General Meeting.

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

Statutory Auditors as well as Internal Auditors always have independent meetings with the Audit/Risk and Compliance Committee and also participate in the Audit/Risk and Compliance Committee meetings.

Our CFO & Director and other Corporate Officers make periodic presentations to the Audit/Risk and Compliance Committee on various issues.

The Audit/Risk and Compliance Committee is comprised of the following three non-executive directors:

Mr. N. Vaghul — Chairman of the Audit/Risk and Compliance committee

Mr. P. M. Sinha and Mr. B. C. Prabhakar — Members of the Audit/Risk and Compliance committee

Our Audit/Risk Compliance committee met five times during the financial year on April 16, July 16, October 20, January 19, and February 24. One Audit Committee meeting was held on May 27 over telephone.

The composition of the Audit/Risk and Compliance committee and their attendance are given in Table 09.

Table 9

Name	Position	Number of meetings attended
N Vaghul	Chairman	5
P M Sinha	Member	5
B C Prabhakar	Member	5

Board Governance and Nomination Committee

In April 2009, the Board Governance and Compensation Committee was split into two separate committees and reconstituted as

(a) Board Governance & Nomination Committee

(b) Compensation Committee.

After this reconstitution, the members of the Board Governance & Nomination Committee are as follows:

Dr. Ashok S Ganguly - Chairman.

Mr. N. Vaghul, Mr. P.M. Sinha and Mr. Bill Owens - Members.

All members of the Board Governance and Nomination Committee are independent non-executive directors.

The primary responsibilities of the Board Governance and Nomination Committee, inter-alia, are:

- Develop and recommend to the Board Corporate Governance Guidelines applicable to the Company,
- Evaluation of 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,

- Lay down policies and procedures to assess the requirements for induction of new members on 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, including public issues of significance to the Company and its stakeholders
- Formulating the Disclosure Policy, its review and approval of disclosures;

Compensation Committee

The members of the Compensation Committee are as under:

Dr. Ashok S Ganguly - Chairman.

Mr. N. Vaghul and Mr. P.M. Sinha - Members.

The primary responsibilities of the Compensation Committee, inter-alia, are:

- Determine and approve salaries, benefits and stock option grants to senior management employees and Directors of our Company.
- Approve and evaluate the compensation plans, policies and programs for Whole-time Directors and Senior Management.
- Act as Administrator of the Company's Employee Stock Option Plans and Employee Stock Purchase Plans drawn up from time to time,

Our Executive Vice President-Human Resources makes periodic presentations to the Compensation Committee on compensation reviews and recommendations on performance linked compensation. All members of the Compensation Committee are independent non-executive directors. During the year 2008-09, our erstwhile Board Governance and Compensation Committee held four meetings on – April 16, July 16, October 20 and January 19. The Chairman of the Board Governance and Compensation Committee was present at the Annual General Meeting held on July 17, 2008.

The Composition and attendance of our erstwhile Board Governance & Compensation Committee are given below in Table 10

Name	Position	Number of meetings attended
Dr. Ashok S Ganguly	Chairman	4
P M Sinha	Member	4
N Vaghul	Member	4

Administrative/Shareholders and Investor Grievance Committee:

The members of the committee are as under:

Mr. B.C. Prabhakar - Chairman
Mr. Suresh C. Senapaty - Member
Mr. Suresh V. Vaswani - Member

The Shareholders'/Investors' Grievance & Administrative Committee is responsible for resolving investor's complaints pertaining to share transfers, non receipt of annual reports, Dividend payments, issue of duplicate share certificates, transmission of shares and other related complaints.

In addition to above, this Committee is also empowered to oversee administrative matters like opening/closure of Company's Bank accounts, grant and revocation of general, specific and banking powers of attorney, consider and approve allotment of equity shares pursuant to exercise of stock options, setting up branch offices and other administrative matters as may be required from time to time, etc.

The Chairman of the Committee is an independent non executive director.

The Administrative and Shareholder's Grievance Committee met five times in the financial year on – April 22, July 07, September 12, October 21, 2008 and January 20, 2009 In addition, the Committee, inter-alia reviews the redressal of shareholder/investor complaints periodically.

Table 11 provides the composition and attendance of the Shareholders / Investors Grievance Committee for year ended March 31, 2009.

Table 11

Name	Position	Number of meetings attended
B C Prabhakar	Chairman	5
Azim H Premji	Member	5

The status on the shareholder queries and complaints we received during the financial year, and our response to the complaints and the current status of pending queries if any, is Tabulated in Table 12

Table 12

Description	Received	Replied	Pending
Non receipt of Securities	12	12	0
Non receipt of annual reports	55	55	0
Correction/Revalidation of Dividend Warrants	476	476	0
SEBI/Stock Exchange Complaints	3	3	0
Non Receipt of Dividend Warrant	299	299	0
Others	6	5	1
Total	851	850	1

There are certain pending cases relating to dispute over title to shares in which the Company has been made a party. However, these cases are not material in nature.

Mr. V Ramachandran, Company Secretary is our Compliance Officer for the Listing Agreement.

Unclaimed Dividends

Under the Companies Act, 1956, Dividends that are unclaimed for a period of seven years is required to be transferred to the Investor Education and Protection Fund administered by the Central Government.

We give below a table providing the dates of declaration of Dividend since 2001-02 as on March 31, 2009 and the corresponding dates when unclaimed Dividends are due to be transferred to the Central Government.

Table 13

Financial Year	Date of declaration of Dividend	Last date for claiming unpaid Dividend	Unclaimed amount (Rs.)	Due date for transfer to Investor Education and Protection Fund
2001-2002	July 18, 2002	July 17, 2009	1,995,655	August 16, 2009
2002-2003	July 17, 2003	July 16, 2010	137,610	August 15, 2010
2003-2004	June 11, 2004	June 10, 2011	1,813,000	July 9, 2011
2004-2005	July 21, 2005	July 20, 2012	1,144,090	August 19, 2012
2005-2006	July 18, 2006	July 17, 2013	3,166,370	August 16, 2013
2006-2007 (Interim Dividend)	March 23, 2007	March 22, 2014	1,132,374	April 21, 2014
2006-2007 (Final Dividend)	July 18, 2007	July 17, 2014	2,266,300	August 16, 2014
2007-2008 (Interim Dividend)	October 19, 2007	October 18, 2014	2,758,610	November 17, 2014
2007-2008 (Final Dividend)	July 17, 2008	July 16, 2015	2,978,948	August 15, 2015

Separate letters have been sent to the Shareholders who are yet to encash the Dividend indicating that Dividend yet to be encashed by the concerned shareholder and that the amount remaining unpaid will be transferred as per the above dates. Members are requested to utilize this opportunity and get in touch with Company's Registrar and Share Transfer Agent, M/s Karvy Computershare Pvt. Limited, Hyderabad for encashing the unclaimed Dividend standing to the credit of their account.

After completion of seven years as per the above table, no claims shall lie against the said Fund or against the Company for the amounts of Dividend so transferred nor shall any payment be made in respect of such claims.

Secretarial Audit

A qualified practicing Company Secretary has carried out secretarial audit every quarter to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate total number of shares in physical form, shares allotted & advised for demat credit but pending execution and the total number of dematerialized shares held with NSDL and CDSL.

Compliance

The certificate dated June 19, 2009 obtained from Mr. V Sreedharan, Practicing Company Secretary is given at page 40 of the annual report.

Subsidiary Monitoring Framework

All the subsidiary companies of the Company are Board managed with their Boards having the rights and obligations to manage these companies in the best interest of their stakeholders. The Company nominates its representatives on the Board of subsidiary companies and monitors performance of such companies, inter alia, by;

a. Financial statements, in particular the investment made by the unlisted subsidiary companies, statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies forming part of the financials being reviewed by the Audit Committee of the your Company on a quarterly basis

b. Minutes of the meetings of the unlisted subsidiary companies, wherever applicable, are placed before the Company's Board regularly.

FOURTH LAYER: GOVERNANCE OF THE MANAGEMENT PROCESS

Corporate Executive Council of the Company (CEC)

The day-to-day management is vested with the CEC of the Company comprising of Business and Functional heads who work under the overall superintendence and control of the Board. The CEC is headed by the Chairman, Mr Azim H Premji.

The list of CEC members is given below:

- **Azim H Premji**, Chairman and Managing Director
- **Suresh Senapaty**, CFO and Director
- **Suresh Vaswani**, Joint CEO IT Business and Director
- **Girish Paranjpe**, Joint CEO IT Business and Director
- **Vineet Agrawal**, President, Wipro Consumer Care & Lighting
- **Pratik Kumar**, Executive Vice President, Human Resources, Corporate Brand & Communication,
- **Anurag Behar**, Chief Executive, Wipro Infrastructure Engineering and Corporate Vice President, Community Initiatives
- **T K Kurien**, President Global Programs, Consulting Practice & New Initiative
- **Ranjan Acharya**, Senior Vice President, Human Resources Development
- **S Deb**. Chief Global Delivery Officer, Wipro Technologies

Code of Business Conduct and Ethics

In 1983, we articulated 'Wipro Beliefs' consisting of six statements. At the core of beliefs was integrity articulated as

- Our individual and Company relationship should be governed by the highest standard of conduct and integrity.

Over years, this articulation has evolved in form but remained constant in substance. Today we articulate it as Code of Business Conduct and Ethics.

In our company, the Board of Directors and all employees have a responsibility to understand and follow the Code of Business Conduct. All employees are expected to perform their work with honesty and integrity. Wipro's Code of Business Conduct reflects general principles to guide employees in making ethical decisions. This code is also applicable to our representatives. The Code outlines fundamental ethical considerations as well as specific considerations that need to be maintained for professional conduct. This Code has been displayed on the Company's website. www.wipro.com/investors

Further, compliance to Code of Business Conduct and Ethics (COBC) is monitored through the following:

a. Our employees are annually required to go through the training and awareness modules created on COBC and understand the principles of each of the Policies briefed under COBC.

b. Randomly selected employees are tested on the compliance effectiveness of the Policies covered under COBC; this primarily enables the Company to analyze the gaps and create training/awareness modules to address the same

c. Annually group discussions are held with select employees to understand the grey areas in compliance to further refine the code.

The Chairman has affirmed to the Board of Directors that this Code of Business Conduct and Ethics has been complied by the Board members and Senior Management.

Ombudsmen process

We have adopted an Ombudsmen process which is the channel for receiving and redressing employees' complaints. Under this policy, we encourage our employees to report any reporting of fraudulent financial or other information to the stakeholders, any conduct that results in violation of the Company's Code of Business Conduct and Ethics, to management (on an anonymous basis, if employees so desire).

Likewise, under this policy, we have prohibited discrimination, retaliation or harassment of any kind against any employees who, based on the employee's reasonable belief that such conduct or practice have occurred or are occurring, reports that that information or participates in the investigation. No individual in the Company has been denied access to the Audit/Risk and Compliance Committee or its Chairman.

Mechanism followed under Ombudsmen process is appropriately communicated within the Company across all levels and has been displayed on Wipro's intranet and on Wipro's website at www.wipro.com

The Audit/Risk and Compliance Committee periodically reviews the functioning of this ombuds process.

Compliance Committee

We have a Compliance Committee which considers matters relating to Wipro's Code of Business Conduct, Ombuds process, Code for Prevention of Insider Trading and other applicable statutory matters. The Compliance Committee consists of Chairman, CFO & Executive Director, Executive Vice President-Human Resources, Senior Vice President-Legal and General Counsel, Chief Risk Officer and Senior Vice President-Internal Audit. During the financial year 2008-09, the Compliance Committee met four times and submitted reports to the Audit/Risk and Compliance Committee for its review and consideration.

Compliance with adoption of mandatory requirements

Your Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement.

Non Compliance on matters related to capital markets

Your Company has complied with the requirements of the Stock Exchange or SEBI on matters related to Capital Markets, as applicable

Compliance report on Non-mandatory requirements under Clause 49

1. The Board – Chairman's Office

The Chairman of Wipro is an Executive Director and this provision is not applicable to Wipro. Some of our independent directors have completed a tenure exceeding a period of nine years on the Board of Directors of the Company.

2. Remuneration Committee

The Board of Directors constituted a Board Governance and Compensation Committee, which is entirely composed of independent directors. The Committee also discharges the duties and responsibilities as described under non-mandatory requirements of Clause 49. The details of the Board Governance and Compensation Committee and its powers have been discussed in this section of the Annual Report.

3. Shareholders rights

We display our quarterly and half yearly results on our web site, www.wipro.com and also publish our results in widely circulated newspapers. We did not send half yearly results to each household of the shareholders in the financial year 2008-09.

4. Audit Qualifications

The Auditors have given a clean and unqualified Audit Report.

5. Training of Board Members

The board of directors is responsible for strategic supervision of the Company. Towards this, board undertakes periodic review of various matters including business wise performance, risk management, borrowings, internal audit/external audit reports etc. In order to enable the directors to fulfill the governance role, comprehensive presentations are made on the various business, business models, risk assessment/minimization procedures and new initiatives of the Company. Changes in domestic/external corporate and industry scenario including their effect on the company, statutory legal matters etc. are also presented to the directors on a periodic basis.

6. Mechanism for evaluation: Independent Board members

In line with our corporate governance guidelines, evaluation of all Board members is done on an annual basis. This evaluation is lead by the Chairman of the Board Governance and Nomination Committee with specific focus on the performance and effective functioning of the Board as a whole, Committees of the Board and report the recommendation to the Board. The evaluation process also considers the time spent by each of the Board members, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise.

7. Whistle Blower Policy

The details of the Ombudsmen process and its functions have been discussed earlier in this section.

Disclosures by the Management

During the year 2008-09, there have been no transactions of material nature entered into by the Company with the Management or their relatives that may have a potential conflict with interest of the Company. None of the Non-Executive Directors have any pecuniary material relationship or transaction with the Company for the year ended March 31, 2009 and has given undertakings to that effect.

Code for prevention of Insider Trading

We have comprehensive guidelines on preventing insider trading. Our guidelines are in compliance with the SEBI guidelines on prevention of Insider Trading.

NYSE Corporate Governance Listing Standards

The Company has made this disclosure in its website www.wipro.com/investors and has filed the same with the New York Stock Exchange (NYSE).

Declaration as required under Clause 49 (I)(D)(ii) of the Stock Exchange Listing Agreement

All Directors and senior management personnel of the Company have affirmed compliance with Wipro's Code of Business Conduct and Ethics for the financial year ended March 31, 2009.

Sd/-

Azim H Premji

Date: June 19, 2009 Chairman

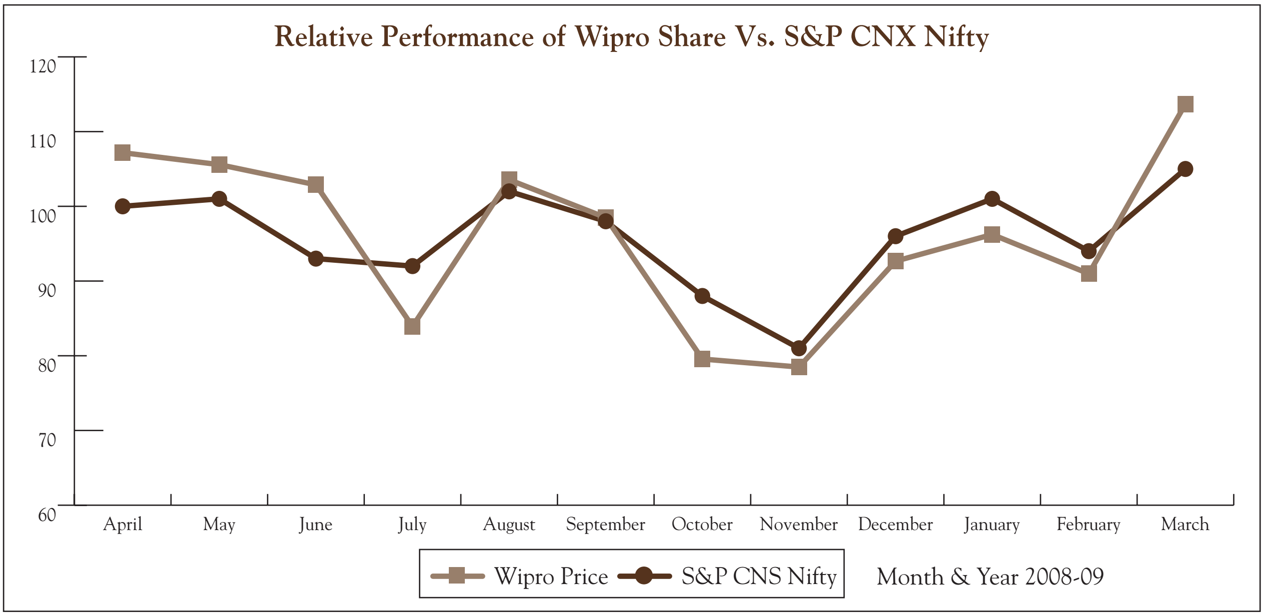
Share Data

The performance of our stock in the financial year 2008-09 is tabulated in Table 14.

Table 14: Monthly high and low price points and volume in National Stock Exchange and New York Stock Exchange is provided.

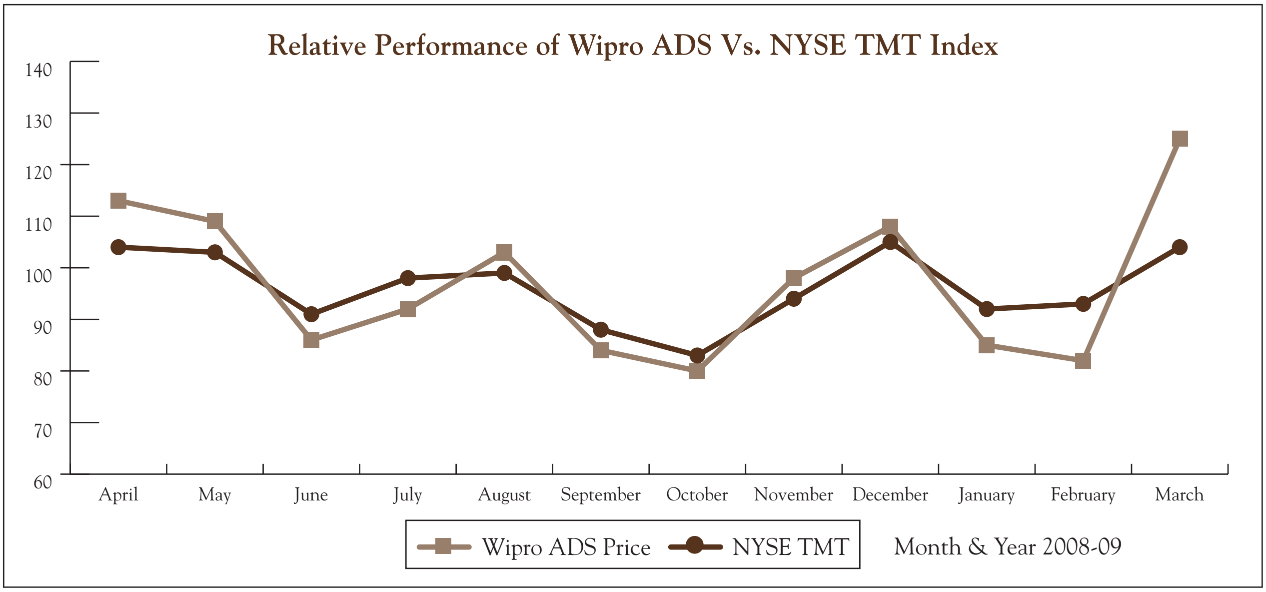
Month	April	May	June	July	August	September	October	November	December	January	February	Mar 2009
Volume traded NSE	22,807,912	27,762,240	17,094,969	27,040,350	15,655,180	28,228,553	40,239,994	34,001,975	32,214,765	49,770,179	20,534,100	26,925,392
Price in NSE during each Month :												
High	492.5	520	535	449	465	458	364.4	286	265	255	232	263.8
Date	30-Apr-08	29-May-08	6-Jun-08	1-Jul-08	6-Aug-08	2-Sep-08	3-Oct-08	3-Nov-08	11-Dec-08	9-Jan-09	4-Feb-09	26-Mar-09
Volume traded on that date	1,160,532	2,042,051	839,120	675,776	1,326,825	868,307	461,515	1,321,978	1,239,512	2,440,399	811,398	2,666,889
Low	401.1	470.2	431	332.35	407	320.1	180.4	206.8	214	201	204.05	196.5
Date	1-Apr-08	26-May-08	27-Jun-08	29-Jul-08	1-Aug-08	30-Sep-08	27-Oct-08	20-Nov-08	29-Dec-08	13-Jan-09	27-Feb-09	2-Mar-09
Volume trade on that date	1,718,202	868,465	982,572	423,621	911,254	1,450,446	358,6140	1,412,487	1,268,309	11,405,290	2,166,500	1,383,360
S&P CNX Nifty Index during each month:												
High	5,230.7	5,298.8	4,908.8	4,539.4	4,649.8	4,558	4,000.5	3,240.5	3,110.45	3,147.2	2,969.7	3,123.3
Low	4,628.7	4,801.9	4,021.7	3,790.2	4,201.8	3,715.0	2,252.7	2,502.9	2,570.7	2,661.6	2,677.5	2,539.4
Wipro Price Movement vis-à-vis Previous Month High/Low (%):												
High %	107	105	103	84	103	98	79	78	93	96	91	114
Low %	115	117	92	77	122	79	56	115	103	94	101	96
S&P CNX Nifty Index Movement vis-à-vis Previous Month High/Low %												
High %	100%	101%	93%	92%	102%	98%	88%	81%	96%	101%	94%	105%
Low %	104%	104%	84%	94%	111%	88%	61%	111%	103%	104%	101%	95%

Graph: 01 Wipro share price movements in NSE compared with S&P CNX Nifty

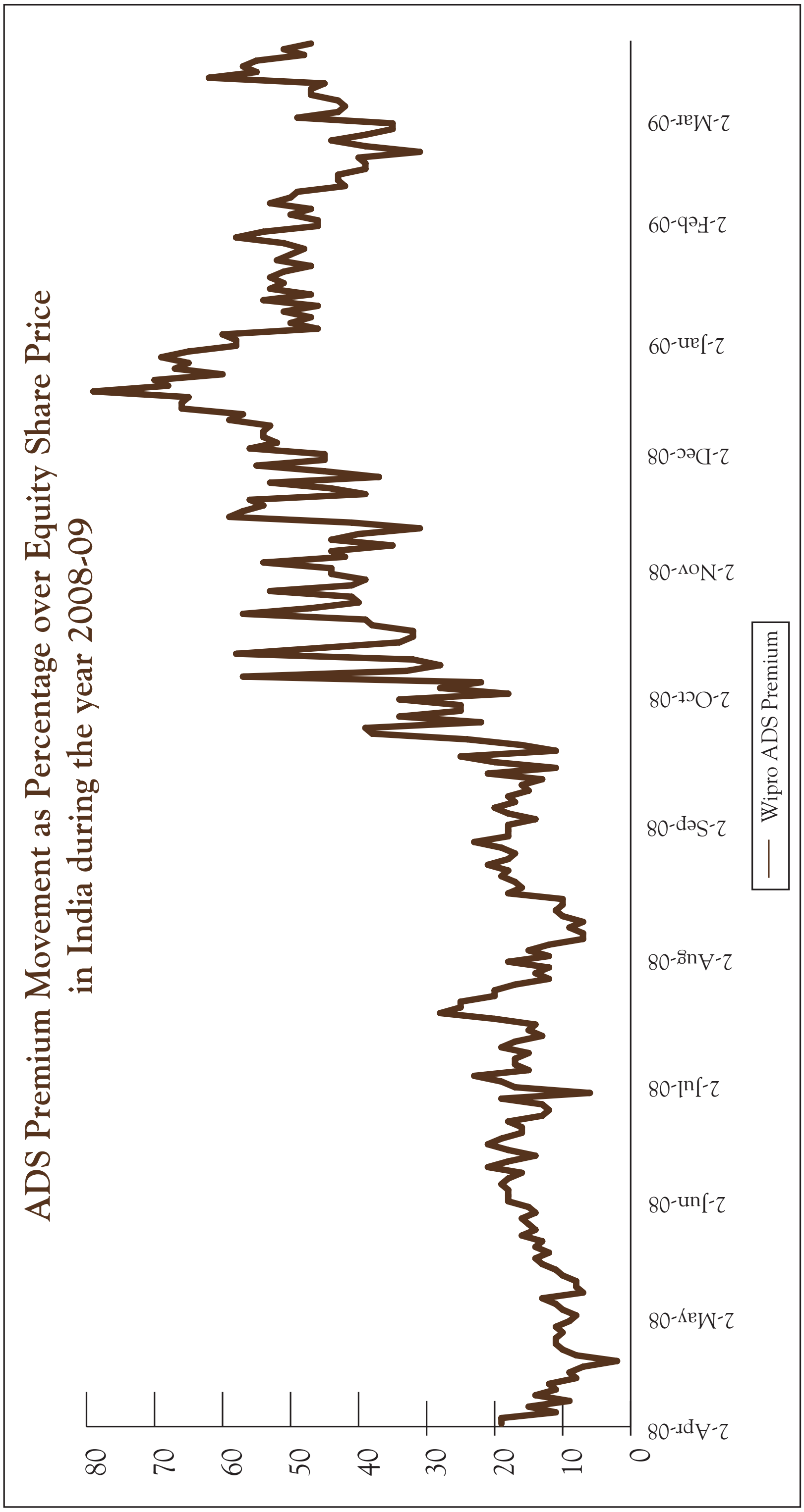


	April	May	June	July	August	September	October	November	December	January	February	March
Wipro ADS price in NYSE during each Month closing ($) (*)	13	14.16	12.18	11.26	11.58	9.72	7.74	7.56	8.13	6.94	5.69	7.11
NYSE TMT Index during each month closing ($)	6429.2	6605.3	5981.4	5833.2	5797.5	5116.1	4247.1	3983.3	4190.9	3844.4	3574.7	3836.1
Wipro ADS Price Movement (%) Vis a vis Previous month Closing $ (*)	113%	109%	86%	92%	103%	84%	80%	98%	108%	85%	82%	125%
NYSE TMT Index Movement (%) Vis a vis Previous month Closing $ (*)	104%	103%	91%	98%	99%	88%	83%	94%	105%	92%	93%	104%

Graph 02: Wipro Share price movements in NYSE compared with TMT index



Graph 03: Wipro ADS premium over Equity share price in NSE during the year 2008-09 at the beginning of the month



a. Table 16 Share Capital History

History of IPO/ Private Placement/Bonus Issues/Stock Split/Allotment of Shares pursuant to Exercise of Stock Options

Type Of Issue	Year of Issue	Bonus shares/ Stock split ratio	Face Value of Shares (Rs.)	Shares Allotted		No. of Shares Total	Total Paid Up Capital (Rs.)
				Number	Nominal Value		
IPO	1946		100/-	17,000	1,700,000	17,000	1,700,000
Bonus issue	1971	1:3	100/-	5,667	566,700	22,667	2,266,700
Bonus issue	1980	1:1	100/-	22,667	2,266,700	45,334	4,533,400
Bonus issue	1985	1:1	100/-	45,334	4,533,400	90,668	9,066,800
Issue of shares to Wipro Equity Reward Trust	1985		100/-	1,500	150,000	92,168	9,216,800
Bonus issue	1987	1:1	100/-	92,168	9,216,800	184,336	18,433,600
Stock split	1990	10:1	10/-			1,843,360	18,433,600
Bonus issue	1990	1:1	10/-	1,843,360	18,433,600	3,686,720	36,867,200
Bonus issue	1992	1:1	10/-	3,686,720	36,867,200	7,373,440	73,734,400
Issue of shares pursuant to merger of Wipro Infotech Limited and Wipro Systems Limited with the Company	1995		10/-	265,105	2,651,050	7,638,545	76,385,450
Bonus issue	1995	1:1	10/-	7,638,545	76,385,450	15,277,090	152,770,900
Bonus issue	1997	2:1	10/-	30,554,180	305,541,800	45,831,270	458,312,700
Stock split	1999	5:1	2/-			229,156,350	458,312,700
ADR	2000	1:1	$41.375	3,162,500	6,325,000	232,318,850	464,637,700
Allotment of equity shares pursuant to exercise of stock options	On various dates (Upto the record date for issue of bonus shares in the year 2004)		2/-	496,780	993,560	232,815,630	465,631,260
Bonus	2004	2:1	2/-	465,631,260	931,262,520	698,446,890	1396,893,780
Allotment of equity shares pursuant to exercise of stock options	On various dates (Upto March 31, 2005)		2/-	5,123,632	10,247,264	703,570,522	1407,141,044
Allotment of equity shares pursuant to exercise of stock options	On various dates (Upto the record date for issue of bonus shares in the year 2005)		2/-	2,323,052	4,646,104	705,893,574	1,411,787,148
Bonus	2005	1:1	2/-	705,893,574	1,411,787,148	1,411,787,148	2,823,574,296
Allotment of equity shares pursuant to exercise of stock options	On various dates (Upto March 31, 2006)		2/-	13,967,119	27,934,238	1,425,754,267	2,851,508,534

Type Of Issue	Year of Issue	Bonus shares/ Stock split ratio	Face Value of Shares (Rs.)	Shares Allotted		No. of Shares Total	Total Paid Up Capital (Rs.)
				Number	Nominal Value		
Allotment of Equity Shares pursuant to exercise of Stock Options	On various dates upto March 31, 2007		2/-	33,245,383	66,490,766	1,458,999,650	2,917,999,300
Allotment of Equity Shares pursuant to exercise of Stock Options	On various dates upto March 31,2008		2/-	2,453,670	4,907,340	1,461,453,320	2,922,906,640
Allotment of equity shares to shareholders of subsidiary companies arising from merger	March 26, 2009		2/-	968,803	1,937,606	1,462,422,123	2,926,781,952
Allotment of Equity Shares pursuant to exercise of Stock Options	On various dates upto March 31,2009		2/-	2,558,623	5,117,246	1,464,980,746	2,929,961,492

History of Bonus issues and stock split

Year	Ratio
1971	1:3 (Bonus)
1980	1:1 (Bonus)
1985	1:1 (Bonus)
1987	1:1 (Bonus)
1990	10:1 (stock split)
1990	1:1 (Bonus)
1992	1:1 (Bonus)
1995	1:1 (Bonus)
1997	2:1 (Bonus)
1999	5:1 (stock split)
2004	2:1 (Bonus)
2005	1:1 (Bonus)

History of Dividend declared for the last ten years (to be updated)

Financial Year	Dividend amount per share and rate (%)	Percentage
1997-98	Rs.1.50 Per Share (Face Value Rs. 10)	15%
1998-99	Rs.1.50 Per Share (Face Value Rs. 10)	15%
1999-00	Rs.0.30 Per Share (Face Value Rs. 2)	15%
2000-01	Rs.0.50 Per Share (Face Value Rs. 2)	25%
2001-02	Rs.1.00 Per Share (Face Value Rs. 2)	50%
2002-03	Rs.1.00 Per Share (Face Value Rs. 2)	50%
2003-04	Rs.29.00 Per Share (Face Value Rs. 2)	1450%
2004-05	Rs.5.00 Per Share (Face Value Rs. 2)	250%
2005-06	Rs.5.00 Per Share (Face Value Rs. 2)	250%
2006-07 (Interim Dividend)	Rs.5.00 Per Share (Face Value Rs. 2)	250%
2006-07 (Final Dividend)	Rs.1.00 Per Share (Face Value Rs. 2)	50%
2007-08 (Interim Dividend)	Rs.2.00 Per Share (Face Value Rs. 2)	100%
2007-08 (Final Dividend)	Rs.4.00 Per Share (Face Value Rs. 2)	200%
2008-09	Rs.4.00 Per Share (Face Value Rs. 2)	200%

Table 17: Mergers and Demergers

Since the mid 1990, the Company has undertaken varous corporate restructuring exercises to improve efficiency in operations. The list of such Mergers/Demergers since 1995 are given below:

Merging Company	Merger with Wipro Limited/Demerger from Wipro Limited	Appointed Date of Merger/Demerger
Wipro Infotech Limited	Merger	April 1, 1994
Wipro Systems Limited	Merger	April 1, 1994
Wipro Computers Limited	Merger	April 1, 1999
Wipro Net Limited	Demerger	April 1, 2001
Wipro BPO Solutions Limited	Merger	April 1, 2005
Spectramind Limited, Bermuda	Merger	April 1, 2005
Spectramind Limited, Mauritius	Merger	April 1, 2005
Wipro Infrastructure Engineering Limited	Merger	April 1, 2007
Wipro HealthCare IT Limited	Merger	April 1, 2007
Quantech Global Services Limited	Merger	April 1, 2007
MPACT Technology Services Private Limited	Merger	April 1, 2007
mPower Software Services (India) Private Limited	Merger	April 1, 2007
CMango India Private Limited	Merger	April 1, 2007

Table No.18: Plant locations

Sl. No	Address	City
1	3rd, 4th, 5th and 6th Floor, S B Towers, 88, M G Road	Bangalore 560 001
2	4t Floor, Creater Block, Information Technology Park Limited, Whitefield	Bangalore 560 066
3	K-312, Koramangala Industrial Layout, V Block, (K-1) Koramangala	Bangalore 560 095
4	No. 8, 7th Main, 1st Block, (K-2) Koramangala	Bangalore 560 095
5	271-271A, Sri Ganesh Complex, Hosur Main Road, (M-1) Madiwala	Bangalore 560 068
6	26, Sri Chamundi Complex, (M-2), Bommanahalli, Hosur Main Road	Bangalore 560 068
7	No.1,2,3,4 and 54/1, Survey No.201/C, (M-3) Madivala, Hosur Main Road	Bangalore 560 068
8	No.1,2,3,4 and 54/1, Survey No.201/C, (M-4) Madivala, Hosur Main Road	Bangalore 560 068
9	No.1,2,3,4 and 54/3, Survey No.201/C, (M-3) Research and Development, Madivala, Hosur Main Road	Bangalore 560 068
10	No. 319/1, (Adea Building) Bomanahalli, Hosur Main Road	Bangalore 560 068
11	2nd, 3rd, 4th Floor, Sigma Tech Park, Beta Towers, No. 7 Whitefield Main Road	Bangalore 560 066
12	Electronics City 1 - No.72, Keonics Electronic City, Hosur Road	Bangalore 560 100
13	Electronics City – 2, Keonics Electronic City, Hosur Road	Bangalore 560 100
14	Electronics City – 3, Keonics Electronic City, Hosur Road	Bangalore 560 100
15	Electronics City – 4, Keonics Electronic City, Hosur Road	Bangalore 560 100
16	No.92, (Siri Building) 2nd Main Road, KEONICS Electronic City	Bangalore 560 100
17	3rd Floor, Ahmed Plaza, No.38/1&2, Bertenna Agrahara, Hosur Main Road	Bangalore 560 100
18	608-610, Carlton Towers, No. 1 Airport Road	Bangalore 560 001
19	1st Floor, (EMC) Subramanya Arcade, Tower B, Bennergatha Road,	Bangalore 560 076
20	Wipro, SEZ, Unit I, Doddathogur Village, Begur Hobli / Electronic City	Bangalore 560 100
21	Wipro, SEZ, Unit II, Doddathogur Village, Begur Hobli / Electronic City	Bangalore 560100
22	Wirpo, SEZ, Unit I,Doddakannelli Village, Varthur Hobli, Sarjapur Road	Bangalore 560 035
23	Wirpo, SEZ, Unit II,Doddakannelli Village, Varthur Hobli, Sarjapur Road	Bangalore 560 035
24	111, (CDC-1) Mount Road, Guindy	Chennai 600 032
25	105, (Sterling Building) Mount Road, Guindy	Chennai 600 032
26	475A, Shollinganallur, Old Mahabalipuram Road (CDC-2)	Chennai 600 019
27	475A, Shollinganallur, Old Mahabalipuram Road (WBPO)	Chennai 600 019
28	ETL SEZ, No. 12, Second Floor, Thuraipakkam	Chennai 600 119
29	ELCOT SEZ Unit I, Sy.No.602/3, Sholinganallur Village, Tambaram Taluk, Kancheepuram District	Chennai 600 119
30	ELCOT SEZ, Unit II Sy.No.602/03, Sholinganallur Village, Tambaram Taluk, Kancheepuram District	Chennai 600 119
31	INFOPARK SEZ, Kusumagiri, Kakkanad, Cochin	Cochin 682 037
32	Infotech Park, SDF Building, 4th Floor, Kusumagiri, Kakkanad	Cochin 682 030
33	Infotech Park, 4th Floor, Vismaya Building, Kakkanad	Cochin 682 030
34	Technopolis, CSEZ, 2nd Floor, Kakanad	Cochin 682 037
35	1-8-448, Lakshmi Buildings, S P Road, Begumpet	Hyderabad 500 003
36	Survey Nos.64, Serilingampali Mandal, Madhapur	Hyderabad 500 033
37	3rd and 4th Floor, 1-8-343, SP Road, Queens Plaza, S P Road	Hyderabad 500 003
38	S.No.203/1, Manikonda Jagir Village, Rajendranagar Mandal, RR District	Hyderabad 500 019
39	Wipro SEZ, S.No.203/1, Manikonda Jagir Village, Rajendranagar Mandal, RR District	Hyderabad 500 019
40	Plot No.2, MIDC, Rajeev Gandhi Infotech Park-1, Hinjewadi	Pune 411 027
41	Plot No.2, MIDC, Rajeev Gandhi Infotech Park-1, Hingewadi (WBPO)	Pune 411 027
42	Wipro SEZ,Unit I, Plot No.31, MIDC, Rajeev Gandhi Infotech Park-2, Hingewadi	Pune 411 057
43	Wipro SEZ Unit II, Plot No.31, MIDC, Rajeev Gandhi Infotech Park-2, Hingewadi	Pune 411 027
44	146/147, Mettagalli Industrial Area, Mettagalli	Mysore 570 016
45	No. 480-481, Udyog Vihar, Phase-III, Gurgoan	Haryana 122 015
46	SEZ-Unit I,Plot No. 1, 7, 8 & 9, Block-DM, Sector-V, Saltlake	Kolkata 700 091
47	SEZ-Unit II,Plot No. 1, 7, 8 & 9, Block-DM, Sector-V, Saltlake	Kolkata 700 091
48	Plot No. 2 (P), IDCO Info City, Industrial Estate Chandaka,	Bhubaneswar 751 022
49	2nd , 3rd, 4th Floor, Spectra Building, Hiranandani Garderns, Powai (WBPO)	Mumbai 400 076
50	3rd Floor CIDCO Building, Belapur Railwaystation Complex (WBPO)	Navi Mumbai 400 614
51	237, 238 and 239 Okhla Industrial Estate, Phase-III (WBPO)	New Delhi 110 020
52	Wipro SEZ, Plot No. 2,3 & 4, Knowledge Park, Greater Noida, UP	Greater Noida 201306
53	SDF No. E-13 & 14, Noida SEZ	Noida 201305

Sl. No	Address	City
54	185, Kings Court, Kings Road, Reading RG 14 EX	United Kingdom
55	Chrysler Building, 6th Floor, 1 Riverside Drive West, WINDSOR ONN5A5K4	Canada
56	Web Campus, Kaistrasse, 101 Kiel 24114	Germany
57	Frykdalsbacken 12-14, Stockholm	Sweden
58	C/o. Trust Corporation, Splaiul Independentei, nr 319C, sector 6, Bucharest	Romania.
59	Yokohama Landmark Tower 9F # 911A, Minato-Mirai, Nishi-ku, Yokohama, Kanagawa	Japan
60	Unit 1518, Building 1, Shanghai Pudong Software Part, Shanghai	China
61	Unit A202, Information Center, Zhongguancun Software Park, Hai Dian District, Beijing	China
62	Lot-7, Block-2, Corner Arch Bishop Reyes Street and Mindanao St.CEBU Business Park, CEBU IT Tower	Cebu City, Philippines
63	Level-6, 80, George Street, Paramatta	NSW, Australia

The Company's manufacturing facilities are located at:

Sl. No.	Address	City
1	P O Box No.12, Dist. Jalgaon	Amalner 425 401
2	L-8, MIDC, Waluj	Aurangabad 431 136
3	105, Hootagalli Industrial Area	Mysore 571 186
4	A-28, Thattanchavady Industrial Estate	Pondicherry 560 058
5	120/1, Vellancheri	Guduvanchery 603 202
6	Plot No.4, Anthrasanahalli Industrial Area	Tumkur 572 106
7.	9A/10B, Peenya Industrial Area	Bangalore
8	Plot no.226C/226D, Industrial Development Area, APIIC, Hindupur – 515211, Andhra Pradesh	Hindupur 515211,
9	Plot C-1, SIPCOT Industrial Park, Irrungattukottai, Sriperumbadur Taluk	Kancheepuram Dist. Tamil Nadu 602105.
10	Baddi Industrial Area, Baddi, Himachal Pradesh	Uttranchal
11	Wipro Limited, Plot No.99-104, Sector 6A, IIE, SIDCUL, Haridwar	Uttarakhand 249403

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To the Members of Wipro Limited

I have examined all the relevant records of Wipro Limited for the purpose of certifying compliance of the conditions of the Corporate Governance under Clause 49 of the Listing Agreement with the Stock Exchanges for the financial year ended March 31, 2009. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. My examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with all the mandatory conditions of Corporate Governance as stipulated in the said Listing Agreement. As regards Annexure 1D of non-mandatory requirements, the Company has complied with items 2, 4, 5, 6 and 7 of such non-mandatory requirements.

(V. Sreedharan)

Bangalore, June 19, 2009

Practising Company Secretary
FCS 2347; C.P. No. 833

Auditors' Report ON ABRIDGED FINANCIAL STATEMENTS
To the Members of Wipro Limited

We have examined the abridged balance sheet of Wipro Limited ("the Company") as at March 31, 2009, the abridged profit and loss account and the cash flow statement for the year ended on that date, together with the notes thereon.

These abridged financial statements have been prepared by the Company pursuant to Rule 7A of the Companies (Central Government's) General Rules and Forms, 1956 and are based on the accounts of the Company for the year ended March 31, 2009 prepared in accordance with Schedule VI to the Companies Act, 1956 and covered by our report dated April 22, 2009 to the members of the Company which report is attached.

for **B S R & Co.**
Chartered Accountants

Akeel Master
Partner
Membership No.: 046768

Bangalore
April 22, 2009

AUDITORS' REPORT

To the Members of WIPRO LIMITED

We have audited the attached balance sheet of Wipro Limited ("the Company") as at March 31, 2009 and the profit and loss account and the cash flow statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956 ("the Act"), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

2. Further to our comments in paragraph 1 above, we report that:

   a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   c) the balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;

   d) in our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;

   e) on the basis of written representations received from the directors as on March 31, 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as at March 31, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956; and

   f) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

      i. in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2009;

      ii. in the case of the profit and loss account, of the profit of the Company for the year ended on that date; and

      iii. in the case of cash flow statement, of the cash flows for the year ended on that date.

for **B S R & Co.**
Chartered Accountants

Akeel Master
Partner
Membership No.: 046768

Bangalore
April 22, 2009

Annexure referred to in paragraph 1 of our report to the members of Wipro Limited ("the Company") for the year ended March 31, 2009

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the phased programme of verification, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.

   c) The fixed assets disposed of during the year were not substantial, and therefore, do not affect the going concern assumption.

2. a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.

   b) The procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

   c) The Company is maintaining proper records of inventory. The discrepancies noticed on physical verification between the physical stocks and the book records were not material.

3. a) The Company has granted loans to 7 entities covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year and the year-end balance of such loans are as follows:

(Rs million)

Name of the Entity	Maximum amount outstanding during year	Year-end balance
Wipro Cyprus Private Limited	1,185	1,176
Infocrossing Inc.	698	647
Wipro Networks Pte Limited	292	292
Wipro Technologies SRL	128	99
Enthink Inc.	46	46
Wipro Singapore Pte Limited	22	22
Wipro Holdings (Mauritius) Limited	2	2

   b) In our opinion, the rate of interest and other terms and conditions on which loans have been granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.

   c) The principal amounts and interest, wherever applicable, are being repaid regularly in accordance with the agreed contractual terms. Accordingly, paragraphs 4(iii)(c) and 4(iii)(d) of the Order are not applicable to the Company.

   d) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, paragraphs 4(iii)(e) to (g) of the Order are not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regards to purchase of inventories and fixed assets and with regard to sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.

5. a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.

   b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in (a) above and exceeding the value of Rs 5 lakh with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

6. The Company has not accepted any deposits from the public.

7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

8. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 for maintenance of cost records in respect of Vanaspati, Toilet soaps, Lighting products and Mini computers/ Microprocessor based system and Data communication system and are

of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

9. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth tax, Service tax, Customs duty, Excise duty and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Investor Education and Protection Fund.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth tax, Service tax, Customs duty, Excise duty and other material statutory dues were outstanding as at March 31, 2009 for a period of more than six months from the date they became payable.

There were no dues on account of cess under Section 441A of the Companies Act, 1956 since the date from which the aforesaid section comes into force has not yet been notified by the Central Government.

b) According to the information and explanations given to us, the following dues of Income tax, Excise duty, Customs duty and Sales tax have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of dues	Amount unpaid* (Rs million)	Assessment year	Forum where dispute is pending
Income Tax Act, 1961	Income tax	3,228	2005-2006	Commissioner of Income Tax (Appeals)
Central Excise Act, 1944	Excise duty	38	1989-90 to 2007-08	Assistant Commissioner of Customs and Excise/Deputy Commissioner of Customs and Excise
Central Excise Act, 1944	Excise duty	78	1986-87 to 2004-05	CESTAT (Tribunal) / Commissioner of Customs and Excise (Appeals)/ Settlement Commission.
Finance Act, 1994	Service tax	370	2005-08	CESTAT
Customs Act, 1957	Customs duty	389	1992-93 to 2008-09	Assistant commissioner of Customs and Excise/ CESTAT
Customs Act, 1957	Customs duty	40	1990-91 to 1998-99	Supreme Court
Sales Tax Act, 1956	Sales tax	816	1986-87 to 2005-06	First Appellate Authority
Sales Tax Act, 1956	Sales tax	44	1987-88 to 2005-06	Tribunal/ Deputy Commissioner of Sales Tax/ Assistant Commissioner of Sales Tax/ Assistant Appellate Commissioner.

* The amounts paid under protest have been reduced from the amounts demanded in arriving at the aforesaid disclosure.

10. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year and in the immediately preceding financial year.

11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any dues to any financial institution or bank.

12. In our opinion and according to the explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion and according to the explanations given to us, the Company is not a chit fund/ nidhi/ mutual benefit fund/ society.

14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.

15. In our opinion and according to the information and explanations given to us, the terms and conditions on which the Company has given guarantees for loans taken by others from banks or financial institutions are not prejudicial to the interest of the Company.

16. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.

17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that the funds raised on short term basis have not been used for long term investment.
18. The Company has not made any preferential allotment of shares to companies/firms/parties covered in the register maintained under Section 301 of the Companies Act, 1956.
19. The Company did not have any outstanding debentures during the year.
20. The Company has not raised any money by public issues during the year.
21. According to the information and explanations given to us, we report that no material fraud on or by the Company has been noticed or reported during the course of audit.

for **B S R & Co.**
Chartered Accountants

Akeel Master
Partner
Membership No.: 046768
Bangalore
April 22, 2009

Statement Containing Salient Features of Balance Sheet and Profit and Loss Account etc., as per Section 219(1)(b)(iv)

ABRIDGED BALANCE SHEET

(Rs. in Million)

	As at March 31, 2009	2008
I. SOURCES OF FUNDS		
(1) Shareholders funds		
(a) Capital		
Equity	**2,930**	2,923
(b) Share application money pending allotment	**15**	40
(c) Shares issuable	**-**	540
(d) Reserves and surplus		
(i) Capital reserve	**1,144**	1,144
(ii) Securities premium account	**27,279**	25,373
(iii) Restricted stock units reserve	**2,313**	1,817
(iv) Revenue reserves	**108,327**	85,367
(v) Unrealised losses on cash flow hedges, net	**(16,859)**	(1,097)
(2) Loan funds		
(a) Secured loans (other than debentures)	**-**	40
(b) Unsecured loans	**50,139**	38,184
Total of (1) & (2)	**175,288**	154,331
II. APPLICATION OF FUNDS		
(1) Goodwill	**447**	427
(2) Fixed assets		
(a) Net block (original cost less depreciation)	**31,349**	22,395
(b) Capital work-in-progress	**13,118**	13,350
(3) Investments		
(a) Investment in subsidiary companies – Unquoted	**52,418**	30,442
(b) Others		
(i) Quoted	**15,132**	14,211
(ii) Unquoted	**1,295**	348
(4) Deferred tax asset (net)	**577**	517
(5) (I) Current assets, loans and advances		
(a) Inventories	**4,597**	4,481
(b) Sundry debtors	**42,992**	36,466
(c) Cash and bank balances	**44,092**	37,321
(d) Loans and advances		
(i) To subsidiary companies	**3,163**	16,196
(ii) To others	**40,339**	25,600
Less:		
(II) Current liabilities and provisions		
(a) Current liabilities	**57,164**	33,616
(b) Provisions	**17,067**	13,807
Net current assets (I - II)	**60,952**	72,641
Total of (1) to (5)	**175,288**	154,331

As per our report attached

for B S R & Co.,
Chartered Accountants

Akeel Master
Partner
Membership No. 046768

Bangalore
April 22, 2009

For and on behalf of the Board of Directors

Azim Premji
Chairman

B. C. Prabhakar
Director

Suresh C. Senapaty
Chief Financial Officer & Director

Girish S. Paranjpe
Joint CEO, IT Business & Director

Suresh Vaswani
Joint CEO, IT Business & Director

V. Ramachandran
Company Secretary

ABRIDGED PROFIT AND LOSS ACCOUNT

			(Rs. in Million, except share data)	
			For the year ended March 31,	
			2009	2008
I.	**INCOME**			
	- Sales/services rendered (refer Annexure)		216,128	176,581
	- Excise duty		(1,055)	(1,655)
	NET SALES/SERVICES		215,073	174,926
	- Dividend		2,265	1,403
	- Interest		1,879	1,411
	- Other income		(8,948)	455
		Total	210,269	178,195
II.	**EXPENDITURE**			
	Cost of goods consumed/sold			
	(i) Opening stock		4,045	2,175
	(ii) Purchases		33,628	31,393
	Less: Closing stock		(3,906)	(4,045)
	Manufacturing expenses		2,606	2,998
	Selling expenses		5,522	5,321
	Salaries, wages and other employee benefits		92,422	74,079
	Managerial remuneration		76	12
	Interest		1,968	1,168
	Depreciation		5,337	4,560
	Auditor's remuneration		13	11
	Provisions for doubtful debts		791	246
	Other expenses		32,288	25,580
		Total	174,790	143,498
III.	**PROFIT BEFORE TAX (I-II)**		35,479	34,697
IV.	**PROVISION FOR TAXATION**		5,741	4,064
V.	**PROFIT AFTER TAX (III-IV)**		29,738	30,633
VI.	**DIVIDEND ON EQUITY SHARES:**			
	- Interim dividend		-	2,919
	- Proposed dividend		5,860	5,846
	- Tax on dividend		996	1,489
VII.	**TRANSFER TO RESERVES/SURPLUS**		22,882	20,379
	EARNINGS PER SHARE – EPS			
	Equity shares of par value Rs. 2/- each			
	Basic (in Rs.)		20.44	21.11
	Diluted (in Rs.)		20.38	21.01
	Number of shares for calculating EPS			
	Basic		1,454,662,502	1,451,127,719
	Diluted		1,459,352,869	1,458,239,060

As per our report attached

for B S R & Co.,
Chartered Accountants

Akeel Master
Partner
Membership No. 046768

Bangalore
April 22, 2009

For and on behalf of the Board of Directors

Azim Premji
Chairman

B. C. Prabhakar
Director

Suresh C. Senapaty
Chief Financial Officer & Director

Girish S. Paranjpe
Joint CEO, IT Business & Director

Suresh Vaswani
Joint CEO, IT Business & Director

V. Ramachandran
Company Secretary

ABRIDGED CASH FLOW STATEMENT

(Rs. in Million)

	For the year ended March 31, 2009	2008
A. Cash Flows from operating activities:		
Profit before tax	35,479	34,697
Adjustments:		
Depreciation and amortisation	5,337	4,560
Amortisation of stock compensation	1,685	1,101
Unrealised exchange differences - net	10,680	(595)
Cancellation losses relating to roll-over hedges	(11,357)	-
Interest on borrowings	1,968	1,168
Dividend/interest - net	(4,145)	(2,814)
Profit on sale of investments	(696)	(769)
Gain on sale of fixed assets	(24)	(172)
Working capital changes :		
Trade and other receivable	(10,904)	(12,577)
Loans and advances	9,490	(18,460)
Inventories	(116)	(1,215)
Trade and other payables	13,023	7,409
Net cash generated from operations	50,420	12,333
Direct taxes paid, net of refunds	(6,975)	(5,174)
Net cash generated by operating activities	43,445	7,159
B. Cash flows from investing activities:		
Acquisition of property, fixed assets plant and equipment (including advances)	(14,058)	(12,874)
Proceeds from sale of fixed assets	204	355
Purchase of investments	(342,859)	(231,656)
Proceeds on sale/from maturities on investments	341,687	250,013
Purchase of intercorporate deposits	(3,750)	-
Payments towards acquistions	(20)	(464)
Investment in subsidiaries	(21,976)	(19,151)
Dividend/interest income received	4,145	2,502
Net cash used in investing activities	(36,627)	(11,275)
C. Cash flows from financing activities:		
Proceeds from exercise of employee stock option	63	541
Share application money pending allotment	15	40
Interest paid on borrowings	(1,733)	(803)
Dividends paid (including distribution tax)	(6,826)	(12,668)
Repayment of borrowings/loans	(73,246)	(192)
Proceeds of borrowings/loans	81,020	35,991
Net cash (used in)/generated by financing activities	(707)	22,909
Net increase in cash and cash equivalents during the year	6,111	18,793
Cash acquired upon amalgamation	-	70
Cash and cash equivalents at the beginning of the year	37,321	18,492
Effect of translation of cash balance	660	(34)
Cash and cash equivalents at the end of the year	44,092	37,321

As per our report attached

for B S R & Co.,
Chartered Accountants

Akeel Master
Partner
Membership No. 046768

Bangalore
April 22, 2009

For and on behalf of the Board of Directors

Azim Premji
Chairman

B. C. Prabhakar
Director

Suresh C. Senapaty
Chief Financial Officer & Director

Girish S. Paranjpe
Joint CEO, IT Business & Director

Suresh Vaswani
Joint CEO, IT Business & Director

V. Ramachandran
Company Secretary

NOTES TO ABRIDGED ACCOUNTS

1. In December 2007, the Institute of Chartered Accountants of India (ICAI) issued Accounting Standard 30 - "Financial Instrument: Recognition and Measurement" (AS 30). Although AS 30 becomes recommendatory in respect of accounting periods commencing on or after April 1, 2009 and mandatory in respect of accounting periods commencing on or after April 1, 2011, in March 2008 the ICAI announced that the earlier adoption of AS 30 is encouraged.

   Pursuant to ICAI Announcement "Accounting for Derivatives" on the early adoption of AS 30, the Company has early adopted the entire Standard from April 1, 2008, to the extent that the adoption does not conflict with existing mandatory accounting standards and other authoritative pronouncements, Company law and other regulatory requirements.

   Until March 31, 2008, the Company applied the recognition and measurement principles as set out in AS 30 in accounting for derivatives and hedge accounting. Changes in the fair values of derivative financial instruments designated as cash flow hedges were recognized directly in shareholders' fund and reclassified into the profit and loss account upon the occurrence of the hedged transaction. Changes in fair value relating to the ineffective portion of the hedges and derivatives not designated as hedges were recognized in the profit and loss account as they arose.

   As the Company was already applying the principles of AS 30 in respect of its accounting for derivative financial instruments in relation to derivative and hedge accounting, the early adoption of AS 30 did not have a material impact on the Company.

   In addition, the Company has designated USD 267 Million and Euro 40 Million of forward contracts as hedges of equity investments in foreign subsidiaries. The Company has also designated a yen-denominated foreign currency borrowing amounting to JPY 27 Billion, along with a floating for floating Cross-Currency Interest Rate Swap (CCIRS), as a hedging instrument to hedge its net investment in a non-integral foreign operation. Further, the Company has also designated yen-denominated foreign currency borrowing amounting to JPY 8 Billion along with floating for fixed CCIRS as cash flow hedge of the yen- denominated borrowing and also as a hedge of net investment in a non-integral foreign operation. As equity investments in foreign subsidiaries are stated at historical cost, in the standalone financial statements, the changes in fair value of forward contract, the yen- denominated foreign currency borrowing and the related CCIRS amounting to Rs. 7,454 Million for the year ended March 31, 2009 has been recorded in the profit and loss account.

   Derivatives

   As of March 31, 2009, the Company had derivative financial instruments to sell USD 1,060 Million, GBP 54 Million, and JPY 6,130 Million relating to highly probable forecasted transactions. As of March 31, 2008, the Company had derivative financial instruments to sell USD 2,497 Million, GBP 84 Million, EUR 24 Million and JPY 7,682 Million relating to highly probable forecasted transactions. As of March 31, 2009 the Company has recognized mark-to-market losses of Rs. 16,859 Million (2008: Rs.1,097 Million) relating to derivative financial instruments that are designated as effective cash flow hedges in the shareholders' fund.

   As of March 2009, the Company had undesignated derivative financial instruments to sell USD 612 Million, GBP 53 Million and EUR 39 Million. As of March 31, 2008, the Company had undesignated derivative financial instruments to sell USD 414 Million, GBP 58 Million and EUR 39 Million. As of March 31, 2009, the Company has recognized mark-to-market gain/(losses) on such derivative financial instruments through the profit and loss account. (Note 4 in the Notes to Accounts of the annual parent financial statements).

2. **Acquisitions**

   In January 2009, the Company acquired 100% shareholding in India based Citi Technology Services Limited (subsequently renamed as Wipro Technology Services Limited - "WTS") for a purchase consideration of US $ 127 Million. WTS is an India based provider of information technology services and solutions to Citi Group worldwide. WTS has a strong competency in Technology Infrastructure Services (TIS), application development and maintenance services (ADM) for cards, capital markets and corporate banking. The acquisition will enhance Wipro's capabilities to compete for both TIS business and ADM business in the financial service industry. (Note 5 in the Notes to Accounts of the annual parent financial statements).

3. **Merger of certain subsidiaries**

   In March 2008, pursuant to the scheme of amalgamation approved by the Honorable High Court of Karnataka and High Court of Judicature at Bombay, the Company had merged mPower Software Services India Private Limited ('mPower'), mPact Technology Service Private Limited ('mPact') and cMango India Private Limited ('cMango') with the Company retrospectively from April 1, 2007, the Appointed Date. mPower, mPact and cMango were fully held by Wipro Inc, which in turn is a wholly owned subsidiary of the Company. In the current year, pursuant to the scheme of amalgamation, the Company has allotted 968,803 fully-paid equity shares with a market value as on April 1, 2007 of Rs. 542 Million as consideration to a Wipro Inc Trust to be held for the benefit of Wipro Inc. (Note 6 in the Notes to Accounts of the annual parent financial statements).

4. Employees covered under Stock Option Plans and Restricted Stock Unit (RSU) 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 over a period of five years from the date of grant. Upon vesting, the employees can acquire one equity share for every option. The maximum contractual term for aforementioned stock option plans is generally 10 years.

The stock compensation cost is computed under the intrinsic value method and amortised on a straight line basis over the total vesting period of five years. The Company has granted 8,366,676 options under RSU Options Plan and 120,000 options under Stock Options Plan during the year ended March 31, 2009.

For the year ended March 31, 2009, the Company has recorded stock compensation expense of Rs. 1,685 Million. (2008: Rs. 1,101 Million). (Note 10 in the Notes to Accounts of the annual parent financial statements).

5. The Company had received tax demands from the Indian income tax authorities for the financial years ended March 31, 2001, 2002, 2003 and 2004 aggregating to Rs. 11,127 Million (including interest of Rs. 1,503 Million). The tax demand was primarily on account of denial of deduction claimed by the Company under Section 10A of the Income Tax Act 1961, in respect of profits earned by its undertakings in Software Technology Park at Bangalore. The appeals filed by the Company for the above years to the first appellate authority were allowed in favour of the Company, thus deleting substantial portion of the demand raised by the Income tax authorities. On further appeal filed by the income tax authorities, the second appellate authority upheld the claim of the Company for the years ended March 31, 2001, 2002, 2003 and 2004. In December 2008, the Company received, on similar grounds, an additional tax demand of Rs. 5,388 Million (including interest of Rs. 1,615 Million) for the financial year ended March 31, 2005. The Company has filed an appeal against the said demand within the time limits permitted under the statute.

Considering the facts and nature of disallowance and the order of the first appellate authority upholding Company's claims for earlier years, the Company expects the final outcome of the above disputes in Wipro's favour. (Note 11 in the Notes to Accounts of the annual parent financial statements).

6. Estimated amount of contracts remaining to be executed on capital accounts and contingent liabilities:

(Rs. in Million)

Particulars	As at March 31, 2009	2008
Estimated amount of contracts remaining to be executed on Capital account and not provided for	**5,089**	7,166
Contingent liabilities in respect of:		
a) Disputed demands for excise duty, customs duty, income tax, sales tax and other matters	**872**	333
b) Performance and financial guarantees given by the Banks on behalf of the Company	**6,103**	3,751
c) Guarantees given by the Company on behalf of subsidiaries	**4,493**	-

(Note 14 in the Notes to Accounts of the annual parent financial statements).

7. The Management has initiated the process of identifying enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2009 has been made in the annual financial statements based on information available with the Company. The Company has not received any claim for interest from any supplier under the said Act.

(Rs. in Million)

Particulars	For the year ended March 31, 2009	2008
The principal amount remaining unpaid to any supplier as at the end of each accounting year;	-	-
The interest due remaining unpaid to any supplier as at the end of each accounting year;	0	-
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year;		
- Interest	-	-
- Principal	9	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
The amount of interest accrued and remaining unpaid at the end of the year	0	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

(Note 16 in the Notes to Accounts of the annual parent financial statements).

8. The list of subsidiaries is given below :

Direct Subsidiaries	Step Subsidiaries		Country of Incorporation
Wipro Inc.			USA
	Wipro Gallagher Solutions Inc		USA
	Enthink Inc.		USA
	Infocrossing Inc		USA
		Infocrossing, LLC	USA
cMango Pte Limited			Singapore
Wipro Japan KK			Japan
Wipro Shanghai Limited			China
Wipro Trademarks Holding Limited			India
	Cygnus Negri Investments Private Limited		India
Wipro Travel Services Limited			India
Wipro Consumer Care Limited			India
Wipro Holdings (Mauritius) Limited			Mauritius
	Wipro Holdings UK Limited		UK
		Wipro Technologies UK Limited	UK
		BVPENTEBeteiligun gsverwaltung GmbH	Austria
		New Logic Technologies GmbH	Austria
		NewLogic Technologies SARL	France
		3D Networks FZ-LLC	Dubai
		3D Networks (UK) Limited	UK
Wipro Cyprus Private Limited			Cyprus
	Wipro Technologies S.A DE C.V		Mexico
	Wipro BPO Philippines LTD. Inc		Philippines
	Wipro Holdings Hungary Korlátolt Felelõsségû Társaság		Hungary
	Wipro Technologies Argentina SA		Argentina
	Wipro Information Technology Egypt SAE		Egypt
	Wipro Arabia Limited [(a)]		Dubai
	Wipro Poland Sp Zoo		Poland
	Wipro Information Technology Netherlands BV (Formely Retail Box BV)		Netherlands
		Enabler Informatica SA	Portugal
		Enabler France SAS	France
		Enabler UK Ltd	UK
		Wipro do Brasil Technologia Ltda	Brazil
		Wipro Technologies Gmbh.(formely Enabler & Retail Consult Gmbh)	Germany
		Wipro Technologies Limited, Russia	Russia

Direct Subsidiaries	Step Subsidiaries		Country of Incorporation
	Wipro Technologies OY (formerly Saraware OY)		Finland
	Wipro Infrastructure Engineering AB		Sweden
		Wipro Infrastructure Engineering OY	Finland
		Hydrauto Celka San ve Tic.	Turkey
	Wipro Technologies SRL		Romania
	Wipro Singapore Pte Limited		Singapore
		Unza Holdings Limited (A)	Singapore
		Wipro Technocentre (Singapore) Pte Limited	Singapore
		Wipro (Thailand) Co Limited	Thailand
Wipro Australia Pty Limited.			Australia
Wipro Networks Pte Limited (formerly 3D Networks Pte Limited)			Singapore
Planet PSG Pte Limited.			Singapore
	Planet PSG SDN BHD		Malaysia
Wipro Chengdu Limited			China
Wipro Chandrika Limited (b)			India
WMNETSERV Limited			Cyprus
	WMNETSERV (UK) Ltd.		UK
	WMNETSERV INC.		USA
Wipro Technology Services Limited			India

At March 31, 2009 all the above subsidiaries are 100% held by the Company except the following:

a) 66.67% held in Wipro Arabia Limited

b) 90% held in Wipro Chandrika Limited

(A) Step Subsidiary details of Unza Holdings Limited are.as follows :

Step subsidiaries	Step subsidiaries		Country of Incorporation
Unza Company Pte Ltd			Singapore
Unza Indochina Pte Ltd			Singapore
	Unza Vietnam Co., Ltd		Vietnam
Unza Cathay Ltd			Hong Kong
Unza China Ltd			Hong Kong
	Dongguan Unza Consumer Products Ltd.		China
PT Unza Vitalis			Indonesia
Unza Thailand Limited			Thailand
Unza Overseas Ltd			British virgin islands
Unza Africa Limited			Nigeria
Unza Middle East Ltd			British virgin islands
Unza International Limited			British virgin islands
Positive Equity Sdn Bhd			Malaysia
Unza Nusantara Sdn Bhd			Malaysia
	Unza Holdings Sdn Bhd		Malaysia
	Unza Malaysia Sdn Bhd		Malaysia
		UAA (M) Sdn Bhd	Malaysia
	Manufacturing Services Sdn Bhd		Malaysia
		Shubido Pacific Sdn Bhd [(a)]	Malaysia
	Gervas Corporation Sdn Bhd		Malaysia
		Gervas (B) Sdn Bhd	Malaysia
	Formapac Sdn Bhd		Malaysia

a) At March 31, 2009 all the above subsidiaries are 100% held by the Company except Shubido Pacific Sdn Bhd in which the holding is 62.55%

Name of the other related parties	Nature	% of holding	Country of Incorporation
Wipro Equity Reward Trust	Trust	Fully controlled trust	India
Wipro Inc Trust	Trust	Fully controlled trust	USA
Wipro GE Healthcare Private Limited	Associate	49%	India
Azim Premji Foundation	Entity controlled by Director		
Hasham Premji (partnership firm)	Entity controlled by Director		
Azim Premji	Chairman and Managing Director		
Suresh C Senapaty	Chief Financial Officer & Director		
Suresh Vaswani	Jt CEO, IT Business & Director		
Girish S Paranjpe	Jt CEO, IT Business & Director		

Rishad Premji	Relative of.the director

The Company has the following related party transactions:

(Rs. in Million)

Transaction / Balances	Subsidiaries/ Trusts		Associates		Entities controlled by Directors		Non-Executive Directors/ Key Management personnel and their relatives	
	2009	2008	**2009**	2008	**2009**	2008	**2009**	2008
Sales of services	**5,295**	2,445	**15**	-	**-**	-	**-**	-
Sale of goods	**369**	153	**-**	19	**1**	4	**-**	-
Purchase of services	**2,223**	656	**-**	1	**-**	-	**-**	-
Purchase of goods	**18**	-	**-**	-	**-**	-	**-**	-
Dividend	**36**	-	**-**	-	**-**	-	**4,648**	-
Others	**213**	7	**36**	-	**-**	-	**-**	-
Payments to non-executive directors:								
Dr. Ashok Ganguly							**2**	1
Narayan Vaghul							**2**	1
Dr. Jagdish N Sheth							**3**	2
P.M. Sinha							**2**	1
B.C. Prabhakar							**1**	1
Bill Owens							**4**	3
Payments to key management personnel							**79**	14
Balances as on March 31,								
Receivables	**7,448***	17,764*	**-**	40	**-**	-	**-**	-
Payables	**973**	549	**-**	-	**-**	-	**4,652**	-

* Includes the following loans and advances being in the nature of loan given to subsidiaries of the Company where there is no repayment schedule and are repayable on demand.

(Rs. in Million)

Name of the Entity	% Holding	Maximum amount outstanding during year	Year-end balance
Wipro Cyprus Private Limited	100	1,185	1,176
Infocrossing Inc.	100	698	647
Wipro Networks Pte Limited	100	292	292
Wipro Chandrika Limited	90	285	285
Wipro Technologies SRL	100	128	99
Enthink Inc.	100	46	46
Wipro Singapore Pte Limited	100	22	22
Wipro Holdings (Mauritius) Limited	100	2	2
Wipro Consumer Care Limited	100	2	2

The above loans given to subsidiaries of the Company are interest free, except for loan given to Wipro Chandirka Limited.

One of the directors of the Company is also a director in each of the above mentioned entities.

The following are the significant related party transactions during the year ended March 31, 2009 and 2008:

(Rs. in Million)

Name of the entity	Sale of services		Sale of goods		Purchase of services		Purchase of goods	
	2009	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**
Wipro Inc	**3,737**	2,078	**-**	-	**202**	101	**-**	-
Wipro Japan KK	**-**	-	**-**	-	**259**	228	**-**	-
Wipro Shanghai	**79**	-	**-**	-	**150**	105	**-**	-
Wipro Technologies UK Limited	**-**	-	**-**	-	**-**	15	**-**	-
Unza Holdings Limited	**117**	-	**-**	-	**-**	-	**18**	-
WMNETSERV Limited	**424**	211	**-**	-	**-**	-	**-**	-
Enabler Informatica SA	**29**	60	**-**	-	**699**	153	**-**	-
Enabler UK Ltd	**233**	-	**-**	-	**536**	-	**-**	-
Wipro Information Technology Netherlands BV	**160**	-	**-**	-	**-**	-	**-**	-
New Logic Technologies GmbH	**114**	-	**-**	-	**-**	-	**-**	-
Wipro Technologies S.A DE C.V	**136**	-	**-**	-	**-**	-	**-**	-
Wipro Arabia	**81**	-	**369**	-	**-**	-	**-**	-
Wipro GE Healthcare Private Limited	**15**	-	**-**	19	**-**	-	**-**	-
Azim Premji Foundation	**-**	-	**1**	-	**-**	-	**-**	-

(Note 21 in the Notes to Accounts of the annual parent financial statements).

9. As at March 31, 2009 and 2008, the aggregate market value of quoted investments is Rs. 15,211 Million and Rs. 14,702 Million respectively.

10. The following are the details on licensed and installed capacity (Note (i) & (ii) in Additional Information Pursuant to the provisions of Part II of Schedule VI in the Notes to accounts of the annual parent financial statements).

    i) Licensed/ registered/ installed capacities;

	Unit	Licensed Capacity**		Installed capacity @	
		March 31, 2009	March 31, 2008	**March 31, 2009**	March 31, 2008
Vanaspati/Hydrogenated oils	T P A *	**NA**	NA	**45,000**	45,000
Toilet Soaps	T P A *	**NA**	NA	**72,084**	60,930
Leather shoe uppers	000s	**NA**	NA	**750**	750
Fatty acids	T P A *	**NA**	NA	**68,650**	68,650
Glycerine	T P A *	**NA**	NA	**1000**	1,000
General lighting systems lamps	000s	**NA**	NA	**110,300**	112,700
Tube light shells	000s	**NA**	NA	**-**	-
Fluorescent tube lights	000s	**NA**	NA	**27,096**	28,300
Compact fluorescent lamps	000s	**NA**	NA	**14,595**	14,050
Mini computers/micro processor based systems and data communication systems	N P A.#	**NA**	NA	**691,200**	391,200
Hydraulic and Pneumatic tubes	N P A.#	**NA**	NA	**609,120**	609,120
Tipping Gear systems	N P A.#	**NA**	NA	**35,000**	35,000

@ Installed capacities are as per certificate given by management on which auditors have relied.
* TPA indicates tons per annum
\# NPA indicates nos. per annum
** The Company is exempt from the licensing provisions of the Industries (Development Regulation) Act, 1951.

ii) Production

	Unit	March 31, 2009	March 31, 2008
		Quantity	Quantity
Mini computers/micro processor based systems and data communication systems	Nos.	204,939	204,696
Toilet soaps	Tons	53,777	47,796
Vanaspati/hydrogenated oils	Tons	4,398	5,233
Shoe uppers	000s	166	214
Fluorescent tube lights	000s	6,261	8,543
Fatty acids	Tons	32,857	28,951
Glycerine	Tons	868	789
Hydraulic and pneumatic tubes	Nos.	263,404	457,824
Tipping Gear systems	Nos.	13,239	27,064

11. Important ratios

Ratio	2009	2008
Sales to total assets ratio	0.86	0.87
Operating profit/capital employed ratio	19%	21%
Return on net worth	24%	26%
PAT to sales ratio	14%	18%

Annexure

Salient features of additional information on the profit and loss account for the year ended March 31, 2009 and 2008

The details of sales in quantity and value are given below.

Particulars	Unit	March 31, 2009		March 31, 2008	
		Quantity	Rs. in Million	Quantity	Rs. in Million
Software services		-	157,355	-	125,697
Mini computers/micro processor based systems and data communication systems	Nos	204,242	28,167	204,899	23,319
IT enabled services		-	15,126	-	10,581
Toilets soaps (a)	Tons	54,682	6,350	46,437	5,023
Vanaspati/hydrogenated oils	Tons	4,398	252	5,599	324
Shoe uppers	000s	166	77	214	77
Glycerine	Tons	570	34	627	38
Lighting products (b)		-	1,282	-	3,371
Reagent Kits/Spares of Analytical instruments (b)		-	-	-	129
Hydraulic and Pneumatic equipment		265,126	2,977	458,821	5,022
Tipping Gear Systems		13,239	329	27,064	937
Spares/components for Tippers/cylinders		-	80	-	242
Others (b)		-	4,099	-	1,821
Total			216,128		176,581
Less: Excise Duty			1,055		1,655
Total			215,073		174,926

(a) Includes samples and shortages.

(b) It is not practicable to give quantitative information in the absence of common expressible unit.

(Note (iii) in Additional Information Pursuant to the provisions of Part II of Schedule VI in the Notes to Accounts of the annual parent financial statements).

ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

BALANCE SHEET ABSTRACT AND THE COMPANY'S GENERAL BUSINESS PROFILE

I.	**Registration Details**			
	Registration No.	20800	State Code	08
	Balance Sheet Date	31st March 2009		
II.	**Capital raised during the year**	(Rs. in Million)		
	Public issue	Nil		
	Rights issue	Nil		
	Bonus issue	Nil		
	Issue of shares on exercise of Employee Stock Options	96.05		
	American Depository Offering	1.80		
III.	**Position of mobilisation of and deployment of funds**	(Rs. in Million)		
	Total Liabilities	175,288	**Total Assets**	175,288
	Sources of funds		**Application of Funds**	
	Paid-up capital	2,930	Goodwill	447
	Share application money pending allotment	15	Net Fixed Assets	44,467
	Share issuable	-	Investments	68,845
	Reserves and Surplus	122,204	Deferred tax assets	577
	Secured Loans	-	Net Current Assets	60,952
	Unsecured Loans	50,139		
IV.	**Performance of the Company**	(Rs. in Million)		
	Turnover	210,269		
	Total Expenditure	174,790		
	Profit before Tax	35,479		
	Profit after Tax	29,738		
	Earnings per share (basic)	20.44		
	Dividend	200%		

V. Generic names of three principal products/services of the Company (as per monetary terms)

i) Item code no (ITC Code) 84713010
Product description Personal Computer

ii) Item code no (ITC Code) 85249113
Product description I.T. Software

iii) Item code no (ITC Code) 15162011
Product description Vegetable fats and oils (Edible Grade)

For and on behalf of the Board of Directors

Azim Premji *Chairman*	**B. C. Prabhakar** *Director*	**Suresh C. Senapaty** *Chief Financial Officer & Director*
Girish S. Paranjpe *Joint CEO, IT Business & Director*	**Suresh Vaswani** *Joint CEO, IT Business & Director*	**V. Ramachandran** *Company Secretary*

Bangalore
April 22, 2009

AUDITORS' REPORT TO THE BOARD OF DIRECTORS ON THE CONSOLIDATED FINANCIAL STATEMENTS OF WIPRO LIMITED AND ITS SUBSIDIARIES

We have audited the attached consolidated balance sheet of Wipro Limited ('the Company') and subsidiaries (collectively called 'the Wipro Group') as at March 31, 2009, the consolidated profit and loss account and the consolidated cash flow statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether these consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements and Accounting Standard (AS) 23, Accounting for Investments in Associates in Consolidated Financial Statements issued by the Institute of Chartered Accountants of India ('ICAI').

Without qualifying our opinion, we draw attention to Note 4 of the Notes to Accounts that describes the early adoption by the Company of Accounting Standard (AS) 30, Financial Instruments: Recognition and Measurements, along with limited revisions to other accounting standards, issued by the Institute of Chartered Accountants of India. AS 30, along with limited revisions to the other accounting standards, have not currently been notified by the National Advisory Council for Accounting Standards (NACAS) pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956. Had the Company not early adopted AS 30 and the related limited revisions, profit after taxation for the year ended March 31, 2009 would have been lower by Rs 3,044 million.

In our opinion and to the best of our information and according to the explanations given to us, the said accounts give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the consolidated balance sheet, of the state of affairs of the Wipro Group as at March 31, 2009;

(b) in the case of the consolidated profit and loss account, of the profit of the Wipro Group for the year ended on that date; and

(c) in the case of the consolidated cash flow statement, of the cash flows of the Wipro Group for the year ended on that date.

for **B S R & Co.**
Chartered Accountants

Akeel Master
Partner
Membership No.: 046768

Bangalore
April 22, 2009

CONSOLIDATED BALANCE SHEET

(Rs. in Million)

		As of March 31,	
SOURCES OF FUNDS	**Schedule**	**2009**	2008
Shareholders' Funds			
Share capital	1	**2,928**	2,923
Share application money pending allotment		**15**	40
Reserves and surplus	2	**133,356**	113,991
		136,299	116,954
Loan Funds			
Secured loans	3	**1,858**	2,072
Unsecured loans	4	**55,034**	42,778
		56,892	44,850
Minority interest		**237**	116
		193,428	161,920
APPLICATION OF FUNDS			
Fixed Assets			
Goodwill [Refer Note 19(6)]		**56,521**	42,209
Gross block	5	**75,353**	56,280
Less: Accumulated depreciation		**36,342**	28,067
Net block		**39,011**	28,213
Capital work-in-progress and advances		**13,552**	13,370
		109,084	83,792
Investments	6	**18,096**	16,022
Deferred Tax Asset (Net) [Refer Note 19(20)]		**684**	529
Current Assets, Loans and Advances			
Inventories	7	**7,586**	6,664
Sundry debtors	8	**48,859**	40,453
Cash and bank balances	9	**49,117**	39,270
Loans and advances	10	**45,673**	29,610
		151,235	115,997
Less: Current Liabilities and Provisions			
Liabilities	11	**67,989**	39,890
Provisions	12	**17,682**	14,530
		85,671	54,420
Net Current Assets		**65,564**	61,577
		193,428	161,920
Notes to Accounts	19		

The schedules referred to above form an integral part of the consolidated balance sheet

As per our report attached

for B S R & Co.,
Chartered Accountants

Akeel Master
Partner
Membership No. 046768

Bangalore
April 22, 2009

For and on behalf of the Board of Directors

Azim Premji
Chairman

B. C. Prabhakar
Director

Girish S. Paranjpe
Joint CEO, IT Business & Director

Suresh C. Vaswani
Joint CEO, IT Business & Director

Suresh C. Senapaty
Chief Financial Officer & Director

N. Vaghul
Director

V. Ramachandran
Company Secretary

CONSOLIDATED PROFIT AND LOSS ACCOUNT

(Rs. in Million, except share data)

	Schedule	Year ended March 31, 2009	2008
INCOME			
Gross sales and services		258,050	201,451
Less: Excise duty		1,055	1,655
Net sales and services		256,995	199,796
Other income	13	2,621	4,174
		259,616	203,970
EXPENDITURE			
Cost of sales and services	14	178,958	140,244
Selling and marketing expenses	15	18,453	14,216
General and administrative expenses	16	14,609	10,750
Interest	17	2,400	1,690
		214,420	166,900
PROFIT BEFORE TAXATION		45,196	37,070
Provision for taxation including fringe benefit tax	19(20)	6,460	4,550
PROFIT BEFORE MINORITY INTEREST/ SHARE IN EARNINGS OF ASSOCIATES		38,736	32,520
Minority interest		(99)	(24)
Share in earnings of associates		362	333
PROFIT FOR THE PERIOD		38,999	32,829
Appropriations			
Interim dividend		-	2,919
Proposed dividend		5,860	5,846
Tax on dividend		996	1,489
TRANSFER TO GENERAL RESERVE		32,143	22,575
EARNINGS PER SHARE - EPS			
Equity shares of par value Rs. 2/- each			
Basic (in Rs.)		26.81	22.62
Diluted (in Rs.)		26.72	22.51
Number of shares for calculating EPS (Refer note 19(15))			
Basic		1,454,662,502	1,451,127,719
Diluted		1,459,352,869	1,458,239,060
Notes to Accounts	19		

The schedules referred to above form an integral part of the consolidated profit and loss account

As per our report attached

for B S R & Co.,
Chartered Accountants

Akeel Master
Partner
Membership No. 046768

Bangalore
April 22, 2009

For and on behalf of the Board of Directors

Azim Premji
Chairman

B. C. Prabhakar
Director

Girish S. Paranjpe
Joint CEO, IT Business & Director

Suresh C. Vaswani
Joint CEO, IT Business & Director

Suresh C. Senapaty
Chief Financial Officer & Director

N. Vaghul
Director

V. Ramachandran
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

(Rs. in Million)

	Year Ended March 31, 2009	2008
A. Cash flows from operating activities:		
Profit before tax	45,196	37,070
Adjustments:		
Depreciation and amortization	6,864	5,359
Amortisation of stock compensation	1,767	1,166
Exchange differences - net	3,702	(595)
Deferred cancellation losses related to designated hedges	(12,196)	-
Interest on borrowings	2,400	1,690
Dividend/interest - net	(3,664)	(2,802)
(Profit)/Loss on sale of investments	(681)	(771)
Gain on sale of fixed assets	(28)	(174)
Working capital changes :		
Trade and other receivable	(13,152)	(11,885)
Loans and advances	(1,622)	(5,157)
Inventories	(922)	(1,565)
Trade and other payables	16,233	6,182
Net cash generated from operations	43,897	28,518
Direct taxes paid	(7,798)	(5,459)
Net cash generated by operating activities	36,099	23,059
B. Cash flows from investing activities:		
Acquisition of property, fixed assets plant and equipment (including advances)	(16,746)	(14,226)
Proceeds from sale of fixed assets	358	479
Purchase of investments	(342,717)	(231,684)
Proceeds on sale/from maturities on investments	341,687	250,013
Intercorporate deposit	(3,750)	150
Net payment for acquisition of businesses-Refer note 19(6)	(6,679)	(32,790)
Dividend/interest income received	3,664	2,490
Net cash used in investing activities	(24,183)	(25,568)
C. Cash flows from financing activities:		
Proceeds from exercise of employee stock option	63	541
Share application money pending allotment	15	40
Interest paid on borrowings	(2,400)	(1,690)
Dividends paid (including distribution tax)	(6,829)	(12,632)
Repayment of borrowings/loans	(80,229)	(74,970)
Proceeds of borrowings/loans	86,648	110,641
Proceeds from issuance of shares by subsidiary	-	55
Net cash generated by/(used in) financing activities	(2,732)	21,985
Net (decrease)/increase in cash and cash equivalents during the period	9,184	19,476
Cash and cash equivalents at the beginning of the period	39,270	19,822
Effect of translation of cash balance	663	(28)
Cash and cash equivalents at the end of the period	49,117	39,270

As per our report attached

for B S R & Co.,
Chartered Accountants

Akeel Master
Partner
Membership No. 046768

Bangalore
April 22, 2009

For and on behalf of the Board of Directors

Azim Premji
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Joint CEO, IT & Director

Suresh C. Senapaty
Chief Financial Officer & Director

N. Vaghul
Director

V. Ramachandran
Company Secretary

CONSOLIDATED BALANCE SHEET

(Rs. in Million, except share data)

	As of March 31,	
SCHEDULE 1 SHARE CAPITAL	2009	2008
Authorised capital		
1,650,000,000 (2008: 1,650,000,000) equity shares of Rs 2 each	3,300	3,300
25,000,000 (2008: 25,000,000) 10.25 % redeemable cumulative preference shares of Rs. 10 each	250	250
	3,550	3,550
Issued, subscribed and paid-up capital [Refer note 19 (2)]		
1,464,980,746 (2008: 1,461,453,320) equity shares of Rs 2 each	2,930	2,923
Less: 968,803 (2008: Nil) equity shares issued to and held by controlled trust	(2)	-
	2,928	2,923

	As of March 31,	
	2009	2008
SCHEDULE 2 RESERVES AND SURPLUS		
Capital reserve		
Balance brought forward from previous year	1,144	47
Addition during the year	-	1,097
	1,144	1,144
Securities premium account		
Balance brought forward from previous year	25,373	24,530
Add: Shares issued to controlled trust	540	-
Add: Exercise of stock options by employees	1,366	843
Less: Shares issued to controlled trust [Refer note 19(2)]	540	-
	26,739	24,530
Translation reserve		
Balance brought forward from previous year	(10)	(247)
Movement during the year	507	237
	497	(10)
Restricted stock units reserve [Refer note 19(12)]		
Employee stock options outstanding	6,693	5,023
Less: Deferred employee compensation expense	4,380	3,206
	2,313	1,817
General reserve		
Balance brought forward from previous year	86,764	67,790
Additions [Refer note 19 (3) (ii)]	32,049	18,974
	118,813	86,764
Hedging reserve [Refer note 19(5)]		
Balance brought forward from previous year	(1,097)	-
Movement during the year	(15,053)	(1,097)
Unrealised gain/(loss) on cash flow hedging derivatives, net	(16,150)	(1,097)
Summary of reserves and surplus		
Balance brought forward from previous year	113,991	93,042
Movement during the year	19,365	20,949
	133,356	113,991

CONSOLIDATED BALANCE SHEET

(Rs. in Million)

SCHEDULE 3 SECURED LOANS	As of March 31, 2009	As of March 31, 2008
Term loans [1]	233	513
Cash credit facilities [1]	643	535
Finance lease obligation	982	1,024
	1,858	2,072

[1] Term loans and cash credit facility are secured by hypothecation of stock-in-trade, book debts, immovable/movable properties and other assets

SCHEDULE 4 UNSECURED LOANS	As of March 31, 2009	As of March 31, 2008
External commercial borrowings	18,052	14,070
Borrowing from banks	35,829	28,368
Interest free loan from state governments	37	41
Others	1,116	299
	55,034	42,778

CONSOLIDATED BALANCE SHEET

SCHEDULE 5 FIXED ASSETS

(Rs. in Million)

PARTICULARS	GROSS BLOCK					ACCUMULATED DEPRECIATION					NET BLOCK	
	As of April 1, 2008	Additions[3]	Effect of Transalation*	Deductions	**As of March 31, 2009**	As of April 1, 2008	Depreciation for the year	Effect of Transalation*	Deductions/ adjustments[3]	**As of March 31, 2009**	**As of March 31, 2009**	As of March 31, 2008[3]
(a) **Tangible fixed assets**												
Land (including leasehold)	2,744	1,292	24	8	**4,052**	8	11	-	-	**19**	**4,033**	2,736
Buildings	10,000	5,118	293	82	**15,329**	1,238	307	97	17	**1,659**	**13,670**	8,762
Plant & machinery[2]	31,029	9,762	1,459	213	**42,037**	20,930	5,069	850	329	**27,178**	**14,859**	10,099
Furniture, fixture and equipments	7,302	712	309	163	**8,160**	3,600	816	168	35	**4,619**	**3,541**	3,702
Vehicles	2,566	599	32	333	**2,864**	1,416	531	11	(199)	**1,759**	**1,105**	1,150
(b) **Intangible fixed assets**												
Technical know-how	359	4	21	-	**384**	345	4	35	-	**384**	**-**	14
Brands, patents, trade marks and rights	2,280	120	127	-	**2,527**	530	126	51	17	**724**	**1,803**	1,750
	56,280	**17,607**	**2,265**	**799**	**75,353**	**28,067**	**6,864**	**1,212**	**199**	**36,342**	**39,011**	**28,213**
Previous year - 31 March 2008	37,287	19,407	322	736	56,280	18,993	5,359	135	3,580	28,067	28,213	

* Represents translation of fixed assets of non-integral operations into Indian Rupee

[2] -Plant and machinery includes computers and computer software

[3] -Additions include Gross Block of Rs 859 (2008: Rs 8,106) and adjustments include Accumulated depreciation of Rs 613 (2008: Rs 3,951) in respect of assets of entities acquired during the year.

CONSOLIDATED BALANCE SHEET

(Rs. in Million)

	As of March 31,	
	2009	2008
SCHEDULE 6 INVESTMENTS		
Investments long term - unquoted		
Investment in associates [Refer note 19(10)]		
Wipro GE Healthcare Private Limited[4]	1,670	1,343
	1,670	1,343
Current investments - quoted [Refer note 19(23)]		
Investments in Indian money market mutual funds	15,136	14,317
Current investments - unquoted [Refer note 19(23)]		
Certificates of deposit	947	-
Other investments [Refer note 19(23)]	343	362
	16,426	14,679
	18,096	16,022

[4] Equity investments in this company carry certain restrictions on transfer of shares that are normally provided for in shareholders' agreements

	2009	2008
SCHEDULE 7 INVENTORIES		
Finished goods	3,533	2,370
Raw materials	2,668	2,761
Stock in process	694	1,078
Stores and spares	691	455
	7,586	6,664
SCHEDULE 8 SUNDRY DEBTORS		
(Unsecured)		
Debts outstanding for a period exceeding six months		
Considered good	5,832	3,109
Considered doubtful	1,433	1,096
	7,265	4,205
Other debts		
Considered good	43,027	37,344
Considered doubtful	486	-
	50,778	41,549
Less: Allowance for doubtful debts	1,919	1,096
	48,859	40,453
SCHEDULE 9 CASH AND BANK BALANCES		
Balances with bank:		
In current account	22,264	10,884
In deposit account	26,173	28,104
Cash and cheques on hand	680	282
[Refer note 19(22)]	49,117	39,270

CONSOLIDATED BALANCE SHEET

(Rs. in Million)

	As of March 31, 2009	2008
SCHEDULE 10 LOANS AND ADVANCES		
(Unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received		
Considered good		
- Prepaid expenses	4,059	2,800
- Advance to suppliers/expenses	706	1,402
- Employee travel & other advances	1,359	1,503
- Derivative asset	1,421	938
- Finance lease receivables	3,605	665
- Others	3,500	3,713
	14,650	11,021
Considered doubtful	160	169
	14,810	11,190
Less: Provision for doubtful advances	160	169
	14,650	11,021
Other deposits	1,626	1,911
Advance income tax	10,185	7,116
Inter corporate deposit	4,250	500
Balances with excise and customs	854	548
Unbilled revenue	14,108	8,514
	45,673	29,610
SCHEDULE 11 LIABILITIES		
Accrued expenses	24,762	15,593
Statutory liabilities	3,455	2,522
Sundry creditors	18,017	13,082
Unearned revenues	6,734	4,269
Advances from customers	2,428	1,642
Derivative liability	12,257	2,571
Unclaimed dividends	17	4
Others	319	207
	67,989	39,890
SCHEDULE 12 PROVISIONS		
Employee retirement benefits	3,111	2,737
Warranty provision	989	941
Provision for tax	6,726	4,013
Proposed dividend	5,860	5,846
Tax on dividend	996	993
	17,682	14,530

CONSOLIDATED PROFIT & LOSS ACCOUNT

	(Rs. in Million)	
	Year ended March 31,	
	2009	2008
SCHEDULE 13 OTHER INCOME		
Income from current investments		
- Dividend on mutual fund units	2,265	1,428
- Profit on sale of invetsments	681	771
Interest on debt instruments and others	1,964	1,576
Exchange differences - net	(1,553)	(221)
Exchange fluctuations on foreign currency borrowings (net)	(1,465)	(202)
Miscellaneous income	729	822
	2,621	4,174
SCHEDULE 14 COST OF SALES AND SERVICES		
Employee compensation	91,004	70,655
Raw materials, finished and process stocks (refer schedule 18)	45,463	36,263
Sub contracting / technical fees / third party application	13,926	10,763
Travel	6,684	5,042
Depreciation	6,367	4,965
Repairs	3,142	2,950
Communication	2,610	1,970
Power and fuel	1,863	1,532
Outsourced technical services	1,442	1,109
Rent	1,667	1,286
Stores and spares	936	946
Insurance	372	238
Rates and taxes	313	137
Miscellaneous	3,169	2,388
	178,958	140,244
SCHEDULE 15 SELLING AND MARKETING EXPENSES		
Employee compensation	9,639	7,045
Advertisement and sales promotion	3,470	2,385
Travel	1,037	1,023
Carriage and freight	1,005	1,137
Commission on sales	886	585
Rent	477	470
Communication	396	349
Conveyance	157	136
Depreciation	265	245
Repairs to buildings	123	79
Insurance	26	35
Rates and taxes	59	34
Miscellaneous expenses	913	693
	18,453	14,216

CONSOLIDATED PROFIT & LOSS ACCOUNT

(Rs. in Million)

	Year ended March 31, 2009	2008
SCHEDULE 16 GENERAL AND ADMINISTRATIVE EXPENSES		
Employee compensation	**6,421**	5,026
Travel	**1,435**	1,198
Legal and professional charges	**1,502**	905
Repairs and mantainance	**780**	565
Provision for bad debts	**939**	289
Staff recruitment	**411**	704
Manpower outside services	**264**	223
Depreciation	**232**	148
Rates and taxes	**72**	57
Insurance	**125**	81
Rent	**382**	124
Auditors' remuneration		
Audit fees	**19**	24
For certification including tax audit	**2**	2
Out of pocket expenses	**2**	2
Miscellaneous expenses	**2,023**	1,402
	14,609	10,750
SCHDEULE 17 INTEREST		
Cash credit and others	**2,400**	1,690
	2,400	1,690
SCHEDULE 18 RAW MATERIALS, FINISHED AND PROCESSED STOCKS		
Consumption of raw materials and bought out components:		
Opening stocks	**2,761**	1,584
Add: Stock taken over on acquisition	**-**	380
Add: Purchases	**21,831**	17,887
Less: Closing stocks	**2,668**	2,761
	21,924	17,090
Purchase of finished products for sale	**24,318**	19,765
(Increase)/Decrease in finished and process stocks:		
Opening stock		
In process	**1,078**	491
Finished products	**2,370**	1,777
Stock taken over on acquisition		
In process	**-**	8
Finished products	**-**	580
Less: Closing stock		
In process	**694**	1,078
Finished products	**3,533**	2,370
	(779)	(592)
	45,463	36,263

Index of Notes to Accounts

SCHEDULE 19 – NOTES TO ACCOUNTS

Company overview

Wipro Limited (Wipro), together with its subsidiaries and associates (collectively, the Company or the group) is a leading India based provider of IT Services, including Business Process Outsourcing (BPO) services, globally. Further, Wipro has other businesses such as IT Products and Consumer Care and Lighting. Wipro is headquartered in Bangalore, India.

1. Significant accounting policies

i. Basis of preparation of financial statements

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments, which are measured on a fair value basis. GAAP comprises Accounting Standards (AS), issued by the Institute of Chartered Accountants of India (ICAI) and other generally accepted accounting principles in India.

The interim consolidated financial statements for the quarter ended March 31, 2009 have been prepared in accordance with the recognition, measurement and disclosure provisions of AS 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 and by the ICAI. These financial statements should be read in conjunction with the consolidated annual financial statement of the Company for the year ended as at March 31, 2009. The accounting policies followed in the preparation of the financial statement are consistent with those followed in the preparation of the consolidated annual financial statement, except the adoption of AS 30, Financial Instruments: Recognition and Measurement. Effective April 1, 2008 the Company adopted AS 30. The adoption of AS 30 along with limited revision to other accounting standards has been described in Note 4 of the notes to accounts.

ii. Principles of consolidation

The consolidated financial statements include the financial statements of Wipro and all its subsidiaries, which are more than 50% owned or controlled.

The financial statements of the parent company and its majority owned/controlled subsidiaries have been combined on a line by line basis by adding together the book values of all items of assets, liabilities, incomes and expenses after eliminating all inter-company balances/transactions and resulting unrealized gain/loss.

The consolidated financial statements are prepared using uniform accounting policies for similar transactions and other events in similar circumstances.

iii. Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements and reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates.

iv. Goodwill

Goodwill arising on consolidation/acquisition of assets is not amortised. It is tested for impairment on a periodic basis and written-off if found impaired.

v. Fixed assets, intangible assets and work-in-progress

Fixed assets are stated at historical cost less accumulated depreciation.

Interest on borrowed money allocated to and utilized for qualifying fixed assets, pertaining to the period up to the date of capitalization is capitalized.

Intangible assets are stated at the consideration paid for acquisition less accumulated amortization.

Advances paid towards the acquisition of fixed assets outstanding as of each balance sheet date and the cost of fixed assets not ready for use before such date are disclosed under capital work-in-progress.

Payments for leasehold land are amortised over the period of lease.

vi. Investments

Long term investments (other than investment in associate) are stated at cost less provision for diminution in the value of such investments. Diminution in value is provided for where the management is of the opinion that the diminution is of other than temporary nature. Current investments are valued at lower of cost and fair value determined by category of investment. The fair value is taken as quoted market price adjusted for cost of disposal.

Investment in associate is accounted under the equity method.

vii. Inventories

Finished goods are valued at cost or net realizable value, whichever is lower. Other inventories, primarily comprising material and other supplies held for use in the course of production are valued at cost less provision for obsolescence. Small value tools and consumables are charged to consumption on purchase. Cost is determined using weighted average method.

viii. Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of an obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the outflow.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The company recognizes provision for onerous contracts based on the estimate of excess of unavoidable costs of meeting obligations under the contracts over the expected economic benefits.

ix. Revenue recognition

Services:

Revenue from Software development services comprises revenue from time and material and fixed-price contracts. Revenue from time and material contracts is recognised as related services are performed. Revenue from fixed-price, fixed-time frame contracts is generally recognised in accordance with the "Percentage of Completion" method.

Revenues from BPO services are derived from both time-based and unit-priced contracts. Revenue is recognised as the related services are performed, in accordance with the specific terms of the contract with the customers.

Revenue from application maintenance services is recognized over the period of the contract.

Revenue from customer training, support and other services is recognised as the related services are performed.

Provision for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the current contract estimates.

'Unbilled revenues' included in loans and advances represent cost and earnings in excess of billings as at the balance sheet date. 'Unearned revenues' included in current liabilities represent billing in excess of revenue recognised.

Products:

Revenue from sale of products is recognised when the product has been delivered, in accordance with the sales contract. Revenues from product sales are shown as net of excise duty, sales tax separately charged and applicable discounts.

Others:

Agency commission is accrued when shipment of consignment is dispatched by the principal.

Profit on sale of investments is recorded upon transfer of title by the Company. It is determined as the difference between the sales price and the then carrying amount of the investment.

Interest is recognised using the time-proportion method, based on rates implicit in the transaction.

Dividend income is recognised where the Company's right to receive dividend is established.

Export incentives are accounted on accrual basis and include estimated realizable values/ benefits from special import licenses and advance licenses.

Other income is recognised on accrual basis.

x. Leases

Assets acquired under finance leases are recognised at the lower of the fair value of the leased assets at inception and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the outstanding liability. The finance charge is allocated to periods during the lease term at a constant periodic rate of interest on the remaining balance of the liability.

Lease rentals in respect of assets taken under operating leases are charged to profit and loss account on a straight line basis over the lease term.

Inventories given under finance leases, are recognised at an amount equal to the net investment in the lease and the finance income is based on a constant rate of return on the outstanding net investment.

xi. Warranty cost

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

xii. Foreign currency transactions

The Company is exposed to currency fluctuations on foreign currency transactions. Foreign currency transactions are accounted in the books of accounts at the average rate for the month.

Transaction:

The difference between the rate at which foreign currency transactions are accounted and the rate at which they are realized is recognised in the profit and loss account.

Integral operations:

In respect of integral operations, monetary assets and liabilities are translated at the exchange rate prevailing at the date of the balance sheet. Non-monetary items are translated at the historical rate. The items in the profit and loss account are translated at the average exchange rate during the period. The differences arising out of the translation are recognised in the profit and loss account.

Non-integral operations:

In respect of non-integral operations, assets and liabilities are translated at the exchange rate prevailing at the date of the balance sheet. The items in the profit and loss account are translated at the average exchange rate during the period. The differences arising out of the translation are transferred to translation reserve.

Translation:

Monetary foreign currency assets and liabilities at period-end are translated at the closing rate. The difference arising from the translation is recognised in the profit and loss account, except for the exchange difference arising on monetary items that qualify as hedging instruments in a cash flow hedge or hedge of a net investment. In such cases the exchange difference is initially recognized in hedging reserve or translation reserve respectively. Such exchange differences are subsequently recognized in the profit and loss account on occurrence of the underlying hedged transaction or on disposal of the investment respectively.

xiii. Financial Instruments

Derivative instruments and Hedge accounting:

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in a foreign operation and forecasted cash flows denominated in foreign currency. The Company limits the effects of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments, where the counterparty is a bank.

Effective April 1, 2007, based on the recognition and measurement principles set out in the AS 30, changes in the fair values of derivative financial instruments designated as cash flow hedges were recognized directly in shareholders' funds and reclassified into the profit and loss account upon the occurrence of the hedged transaction. The company also designated derivative financial instruments as hedges of net investment in non-integral foreign operation. The portion of the changes in fair value of derivative financial instruments that was determined to be an effective hedge was recognised in the shareholders' funds and would be recognised in the profit and loss account upon sale or disposal of related non-integral foreign operation. Changes in fair value relating to the ineffective portion of the hedges and derivatives not designated as hedges were recognized in the profit and loss account as they arose.

On April 1, 2008, the Company early adopted AS 30 and the limited revisions to other accounting standards which come into effect upon adoption of AS 30. AS 30 states that particular sections of other accounting standards; AS 4, Contingencies and Events Occurring after Balance sheet Date, to the extent it deals with contingencies, AS 11 (revised 2003), The Effects of Changes in Foreign Exchange Rates, to the extent it deals with the 'forward exchange contracts' and AS 13, Accounting for Investments, except to the extent it relates to accounting for investment properties, will stand withdrawn only from the date AS 30 becomes mandatory (April 1, 2011 for the Company).

Accordingly, the Company continues to comply with the guidance under these accounting standards; AS 4 – relating to Contingencies, AS 11 – relating to forward contracts and AS 13 until AS 30 becomes mandatory.

The impact of adoption of AS 30 has been described in Note 4 of the notes to accounts.

Non-Derivative Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets of the Company mainly include cash and bank balances, sundry debtors, unbilled revenues, finance lease receivables, employee travel and other advances, other loans and advances and derivative financial instruments with a positive fair value. Financial liabilities of the Company mainly comprise secured and unsecured loans, sundry creditors, accrued expenses and derivative financial instruments with a negative fair value. Financial assets / liabilities are recognized on the balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when all of risks and rewards of the ownership have been transferred. The transfer of risks and rewards is evaluated by comparing the exposure, before and after the transfer, with the variability in the amounts and timing of the net cash flows of the transferred assets.

Short-term receivables with no stated interest rates are measured at original invoice amount, if the effect of discounting is immaterial. Non-interest-bearing deposits are discounted to their present value.

The Company measures the financial liabilities, except for derivative financial liabilities at amortized cost using the effective interest method. The Company measures the short-term payables with no stated rate of interest at original invoice amount, if the effect of discounting is immaterial.

xiv. Depreciation and amortisation

Depreciation is provided on straight line method at rates not lower than rates specified in Schedule XIV to the Companies Act, 1956. In some cases, assets are depreciated at the rates which are higher than Schedule XIV rates to reflect the economic life of asset. Management estimates the useful life of various assets as follows:

Nature of asset	Life of asset
Building	30 - 60 years
Plant and machinery	5 - 21 years
Office equipment	3 - 10 years
Vehicles	4 years
Furniture and fixtures	3 - 10 years
Data processing equipment and software	2 - 6 years

Fixed assets individually costing Rs 5,000/- or less are depreciated at 100%.

Assets under capital lease are amortised over their estimated useful life or the lease term, whichever is lower. Intangible assets are amortized over their estimated useful life. For various brands acquired by the Company, the estimated useful life has been determined ranging between 20 to 25 years based on expected life, performance, market share, niche focus and longevity of the brand. Accordingly, such intangible assets are being amortised over the determined useful life.

xv. Impairment of assets

Financial assets:

The Company assesses at each balance sheet date whether there is any objective evidence that a financial asset or group of financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss. The amount of loss for short-term receivables is measured as the difference between the assets carrying amount and undiscounted amount of future cash flows. Reduction, if any, is recognized in the profit and loss account. If at the balance sheet date there is any indication that if a previously assessed impairment loss no longer exists, the recognised impairment loss is reversed, subject to maximum of initial carrying amount of the short-term receivable.

Other than financial assets:

The Company assesses at each balance sheet date whether there is any indication that a non-financial asset including goodwill may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to 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 recognised in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. In respect of goodwill the impairment loss will be reversed only when it was caused by specific external events and their effects have been reversed by subsequent external events.

xvi. Provision for retirement benefits

Provident fund:

Employees receive benefits from a provident fund. The employee and employer each make monthly contributions to the plan equal to 12% of the covered employee's salary. A portion of the contribution is made to the provident fund trust managed by the Company, while the remainder of the contribution is made to the Government's provident fund.

Compensated absences:

The employees of the Company are entitled to compensated absence. The employees can carry-forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence. The Company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Company measures the expected cost of compensated absence as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

Gratuity:

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering certain categories of employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company. Liability with regard to gratuity plan is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. Actuarial gain or loss is recognised immediately in the statement of profit and loss as income or expense. The Company has an employees' gratuity fund managed by the Life Insurance Corporation of India (LIC).

Superannuation:

Apart from being covered under the Gratuity Plan described above, the employees of the Company also participate in a defined contribution plan maintained by the Company. This plan is administered by the LIC & ICICI Prudential Insurance Company Limited. The Company makes annual contributions based on a specified percentage of each covered employee's salary.

xvii. Employee stock options

The Company determines the compensation cost based on the intrinsic value method. The compensation cost is amortised on a straight line basis over the vesting period.

xviii. Research and development

Revenue expenditure on research and development is charged to profit and loss account and capital expenditure is shown as addition to fixed assets.

xix. Income tax & Fringe benefit tax

Income tax:

The current charge for income taxes is calculated in accordance with the relevant tax regulations.

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences that result between the profit offered for income taxes and the profit as per the financial statements by each entity in the Company.

Deferred taxes are recognised in respect of timing differences which originate during the tax holiday period but reverse after the tax holiday period. For this purpose, reversal of timing difference is determined using FIFO method.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment/ substantive enactment date.

Deferred tax assets on timing differences are recognised only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. However, deferred tax assets on the timing differences when unabsorbed depreciation and losses carried forward exist, are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets are reassessed for the appropriateness of their respective carrying amounts at each balance sheet date.

The Company offsets, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

Fringe benefit tax:

The Fringe Benefit Tax (FBT) is accounted for in accordance with the guidance note on accounting for fringe benefits tax issued by the ICAI. The provision for FBT is reported under income taxes.

xx. Earnings per share

Basic:

The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period excluding shares held by controlled trust.

Diluted:

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. The number of shares and potentially dilutive equity shares are adjusted for any stock splits and bonus shares issued.

xxi. Cash flow statement

Cash flows are reported using the indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

NOTES TO ACCOUNTS

2. The following are the details for 1,464,980,746 (2008: 1,461,453,320) equity shares as of March 31, 2009.

No. of shares	Description
1,398,430,659	Equity shares / American Depository Receipts (ADRs) (2008: 1,398,430,659) have been allotted as fully paid bonus shares / ADRs by capitalization of Securities premium account and Capital redemption reserve
1,325,525	Equity shares (2008: 1,325,525) have been allotted as fully paid-up, pursuant to scheme of amalgamation, without payment being received in cash.
968,803	Equity shares (2008: Nil) allotted to the Wipro Inc Trust, the sole beneficiary of which is Wipro Inc, wholly owned subsidiary of the Company, without payment being received in cash, in consideration of acquisition of inter-company investments.
3,162,500	Equity shares (2008: 3,162,500) representing American Depository Receipts issued during 2000-2001 pursuant to American Depository offering by the Company
60,168,259	Equity shares (2008: 57,609,636) issued pursuant to Employee Stock Option Plan

3. **Note on Reserves:**

i) Restricted stock units reserve includes Deferred Employee Compensation, which represents future charge to the profit and loss account and employee stock options outstanding to be treated as securities premium at the time of allotment of shares.

ii) Additions to General Reserve include:

(Rs. in Million)

Particulars	For the year ended March 31, 2009	2008
Transfer from Profit and Loss Account	32,143	22,575
Adjustment on account of amalgamation	-	(3,601)
Adjustment on adoption of AS 30	(89)	-
Others	(5)	-
	32,049	18,974

4. **Adoption of AS 30**

In December 2007, the ICAI issued AS 30. Although AS 30 becomes recommendatory in respect of accounting periods commencing on or after April 1, 2009 and mandatory in respect of accounting periods commencing on or after April 1, 2011, in March 2008 the ICAI announced that the earlier adoption of AS 30 is encouraged. AS 30, along with limited revision to other accounting standards has currently not been notified pursuant to Companies (Accounting Standard) Rules, 2006.

On April 1, 2008, the Company early adopted AS 30 and the limited revisions to other accounting standards which come into effect upon adoption of AS 30.

AS 30 states that particular sections of other accounting standards; AS 4, Contingencies and Events Occurring after Balance sheet Date, to the extent it deals with contingencies, AS 11 (revised 2003), The Effects of Changes in Foreign Exchange Rates, to the extent it deals with the 'forward exchange contracts' and AS 13, Accounting for Investments, except to the extent it relates to accounting for investment properties, would stand withdrawn only from the date AS 30 becomes mandatory (April 1, 2011 for the Company).

Accordingly, the Company continues to comply with the guidance under these accounting standards; AS 4 – relating to Contingencies, AS 11 – relating to Forward Contracts and AS 13 until AS 30 becomes mandatory.

Until March 31, 2008, the Company applied the recognition and measurement principles as set out in AS 30 in accounting for derivatives and hedge accounting. Changes in the fair values of derivative financial instruments designated as cash flow hedges were recognized directly in shareholders' funds and reclassified into the profit and loss account upon the occurrence of the hedged transaction. The Company also designated derivative financial instruments as hedges of net investments in non-integral foreign operation. The portion of the changes in fair value of derivative financial instruments that was determined to be an effective hedge is recognized in the shareholders' funds and was recognized in the profit and loss account upon sale or disposal of related non-integral foreign operation. Changes in fair value relating to the ineffective portion of the hedges and derivatives not designated as hedges were recognized in the profit and loss account as they arose.

As the Company was already applying the principles of AS 30 in respect of its accounting for derivative financial instruments in relation to derivative and hedge accounting, the early adoption of AS 30 did not have a material impact on the Company.

As permitted by AS 30 and the consequent limited revisions to other accounting standards, the Company has designated a yen-denominated foreign currency borrowing amounting to JPY 27 billion, along with a floating for floating Cross-Currency Interest Rate Swap (CCIRS), as a hedging instrument to hedge its net investment in a non-integral foreign operation. In addition the company has also designated yen-denominated foreign currency borrowing amounting to JPY 8 billion along with floating for fixed CCIRS as cash flow hedge of the yen- denominated borrowing and also as a hedge of net investment in a non-integral foreign operation.

Accordingly, the translation gain/ (loss) on the foreign currency borrowings and portion of the changes in fair value of CCIRS which are determined to be effective hedge of net investment in non-integral operation aggregating to Rs 551 Million and Rs 3,044 Million for the quarter and year ended March 31, 2009, respectively was recognized in translation reserve / hedging reserve in shareholders' funds. The amount of loss of Rs 507 Million and Rs 3,753 Million respectively for the quarter and year ended March 31, 2009 recognized in translation reserve would be transferred to profit and loss account upon sale or disposal of non-integral foreign operations and the amount of loss of Rs 43 Million and gain of Rs 709 Million for the quarter and year ended March 31, 2009 recognized in the hedging reserve would be transferred to profit and loss upon occurrence of the hedged transaction.

In accordance with AS 11, if the Company had continued to recognize translation losses on foreign currency borrowing in the profit and loss account, the foreign currency borrowing would not have been eligible to be combined with CCIRS for hedge accounting. Consequently the CCIRS also would not have qualified for hedge accounting and changes in fair value of CCIRS would have been recognized in the profit and loss account. As a result profit after tax for the quarter and year ended March 31, 2009 would have been lower by Rs 551 Million and Rs 3,044 Million respectively.

5. Derivatives

As of March 31, 2009, the Company had derivative financial instruments to sell USD 1,060 Million, GBP 54 Million and JPY 6,130 Million and CCIRS of JPY 8 Billion relating to highly probable forecasted transactions. As of March 31, 2008, the Company had derivative financial instruments to sell USD 2,497 Million, GBP 84 Million, EUR 24 Million and JPY 7,682 Million relating to highly probable forecasted transactions. As of March 31, 2009, the Company has recognised mark-to-market losses of Rs 16,150 Million (2008: Rs 1,097 Million) relating to derivative financial instruments that are designated as effective cash flow hedges in the shareholders' funds.

In addition to Yen denominated foreign currency borrowing and related CCIRS discussed in Note 4, the Company had derivative financial instruments to sell USD 267 Million and Euro 40 Million designated as hedge of net investment in non-integral foreign operations as of March 31, 2009. For the quarter and year ended March 31, 2009, the Company has recognized Mark to market losses of Rs 833 Million and Rs 4,410 Million respectively (2008: Rs 495 Million) relating to the above derivative financial instruments in translation reserve in the shareholders' funds.

As of March 31, 2009, the Company had undesignated derivative financial instruments to sell USD 612 Million, GBP 53 Million and EUR 39 Million. As of March 31, 2008, the Company had undesignated derivative financial instruments to sell USD 414 Million, GBP 58 Million and EUR 39 Million. The Company has recognized mark-to-market gain/ (losses) on such derivative financial instruments through the profit and loss account.

6. Acquisitions

In January 2009, the Company acquired 100% shareholding in India based Citi Technology Services Limited (subsequently renamed as Wipro Technology Services Limited - "WTS") for a purchase consideration of US $ 127 Million and has recorded a goodwill of Rs 4,472 Million. WTS is an India based provider of information technology services and solutions to Citi Group worldwide. WTS has a strong competency in Technology Infrastructure Services (TIS), Application Development and Maintenance services (ADM) for cards, capital markets and corporate banking. The acquisition will enhance Wipro's capabilities to compete for both TIS business and ADM business in the financial service industry.

7. Merger of certain subsidiaries

(i) In the terms of the scheme of amalgamation filed with and endorsed by the State of Delaware, United States of America, Spectramind Inc. amalgamated with Wipro Inc. with effect from March 31, 2009. The amalgamation has been accounted as 'amalgamation in the nature of merger' in accordance with AS 14, Accounting for Amalgamations.

(ii) The Company has merged its following, fully owned subsidiaries into Infocrossing Inc with effect from March 31, 2009:

a) Infocrossing EAS Inc

b) Infocrossing Services Inc

c) Infocrossing West Inc

d) Infocrossing Healthcare Services Inc

e) Infocrossing iConnection, Inc

f) Infocrossing Services West Inc.

(iii) The Company has merged Infocrossing Services Southeast Inc, a fully owned subsidiary into Infocrossing LLC with effect from March 31, 2009.

8. Finance lease receivables

The Company provides lease financing for the traded and manufactured products primarily through finance leases. The finance lease portfolio contains only the normal collection risk with no important uncertainties with respect to future costs. These receivables are generally due in monthly, quarterly or semi-annual installments over periods ranging from 3 to 5 years.

The components of finance lease receivables are as follows:

(Rs. in Million)

Particulars	As of March 31,	
	2009	2008
Gross investment in lease for the period	4,376	836
Not later than one year	1,024	197
Later than one year and not later than five years	3,180	555
Unguaranteed residual values	172	84
Unearned finance income	(771)	(171)
Net investment in finance receivables	3,605	665

Present value of minimum lease receivables are as follows:

(Rs. in Million)

Particulars	As of March 31,	
	2009	2008
Present value of minimum lease payments receivables	3,605	604
Not later than one year	967	181
Later than one year and not later than five years	2,638	423

9. Assets taken on lease

Finance leases:

The following is a schedule of present value of future minimum lease payments under capital leases, together with the value of the minimum lease payments as of March 31, 2009

(Rs. in Million)

Particulars	As of March 31,	
	2009	2008
Present value of minimum lease payments:		
Not later than one year	431	323
Later than one year and not later than five years	915	629
Thereafter	71	72
Total present value of minimum lease payments	1,417	1,024
Add: Amount representing interest	243	199
Total value of minimum lease payments	1,660	1,223

Operating leases:

The Company leases office and residential facilities under cancelable and non-cancelable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. Rental payments under such leases are Rs 2,526 Million and Rs 1,880 Million during the years ended March 31, 2009 and 2008 respectively.

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

(Rs. in Million)

Particulars	As of March 31,	
	2009	2008
Not later than one year	1,064	773
Later than one year and not later than five years	3,669	2,433
Thereafter	3,168	2,826
Total	7,901	6,032

10. The Company has a 49% equity interest in Wipro GE Healthcare Private Limited (Wipro GE), an entity in which General Electric, USA holds the majority equity interest. The shareholders agreement provides specific rights to the two shareholders. Management believes that these specific rights do not confer joint control as defined in Accounting Standard 27 "Financial Reporting of Interests in Joint Ventures". Consequently, Wipro GE is not considered as a joint venture and consolidation of financial statements is carried out as per the equity method in terms of Accounting Standard 23 "Accounting for Investments in Associates in Consolidated Financial statements".

11. Employee Benefit Plans

Gratuity: In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering certain categories of employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company. The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC). Under this plan, the settlement obligation remains with the Company, although the LIC administers the plan and determines the contribution premium required to be paid by the Company.

(Rs. in Million)

Change in the benefit obligation	As of March 31,	
	2009	2008
Projected Benefit Obligation (PBO) at the beginning of the year	1,515	1,121
Service cost	369	281
Interest cost	135	83
Benefits paid	(118)	(135)
Actuarial loss/(gain)	(77)	165
PBO at the end of the year	1,824	1,515

(Rs. in Million)

Change in plan assets	As of March 31,	
	2009	2008
Fair value of plan assets at the beginning of the year	1,244	727
Expected return on plan assets	92	52
Employer contributions	154	550
Benefits paid	(118)	(135)
Actuarial (loss)/gain	25	50
Fair value of plan assets at the end of the year	1,397	1,244
Present value of unfunded obligation	(427)	(271)
Recognised liability	(427)	(271)

The Company has invested the plan assets with the Life Insurance Corporation of India. Expected rate of return on the plan asset has been determined scientifically considering the current and expected plan asset allocation, historical rate of return earned by the company, current market trend and the expected return on the plan assets. Expected contribution to the fund during the year ending March 31, 2010 is Rs 764 Million.

Net gratuity cost for the year ended March 31, 2009 and 2008 are as follows:

(Rs. in Million)

Particulars	For the year ended March 31,	
	2009	2008
Service cost	369	282
Interest cost	135	82
Expected return on plan assets	(92)	(52)
Actuarial loss/(gain	(102)	115
Net gratuity cost	310	427

The weighted average actuarial assumptions used to determine benefit obligations and net periodic gratuity cost are:

Assumptions	As of March 31,	
	2009	2008
Discount rate	6.75%	7.75%
Rate of increase in compensation levels	5%	7%
Rate of return on plan assets	8%	7.50%

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

Superannuation: Apart from being covered under the gratuity plan, the employees of the Company also participate in a defined contribution plan maintained by the Company. This plan is administered by the LIC & ICICI. The Company makes annual contributions based on a specified percentage of each covered employee's salary.

Provident fund (PF): In addition to the above, all employees receive benefits from a provident fund. The employee and employer each make monthly contributions to the plan equal to 12% of the covered employee's salary. A portion of the contribution is made to the provident fund trust established by the Company, while the remainder of the contribution is made to the Government's provident fund. For the year ended March 31, 2009, the Company contributed Rs 2,426 Million to PF and other employee welfare funds (2008: Rs 1,326 Million)

The interest rate payable by the trust to the beneficiaries is regulated by the statutory authorities. The company has an obligation to make good the shortfall, if any, between the returns from its investments and the administered rate.

The Guidance on implementing AS 15, Employee Benefits issued by the Accounting Standards Board (ASB) provides that exempt provident funds which require employers to meet the interest shortfall are in effect defined benefit plans. The Company's actuary has informed that it is currently not practicable to actuarially determine the interest shortfall obligation. The computation of liability and disclosure in accordance with the provisions of AS 15 cannot be implemented due to the inability on the part of the actuary to measure it.

12. Employee stock option

i) Employees covered under Stock Option Plans and Restricted Stock Unit (RSU) 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 over a period of five years from the date of grant. Upon vesting, the employees can acquire one equity share for every option. The maximum contractual term for aforementioned stock option plans is generally 10 years.

ii) The stock compensation cost is computed under the intrinsic value method and amortised on a straight line basis over the total vesting period of five years. The Company has granted 8,366,676 Options under RSU Options Plan and 120,000 options under Stock Options Plan during the year ended March 31, 2009. For the quarter and year ended March 31, 2009 the Company has recorded stock compensation expense of Rs 427 Million and Rs 1,770 Million respectively (2008: Rs 291 Million and Rs 1,166 Million respectively).

iii) The Company has instituted various Employee Stock Option Plans. The compensation committee of the board evaluates the performance and other criteria of employees and approves the grant of options. These options vest with employees over a specified period subject to fulfillment of certain conditions. Upon vesting, employees are eligible to apply and secure allotment of Company's shares at a price determined on the date of grant of options. The particulars of options granted under various plans are tabulated below. (The numbers of shares in the table below are adjusted for any stock splits and bonus shares issues).

Activity under Stock Option plans

Particulars	Year Ended March 31, 2009		Year Ended March 31, 2008	
	Shares	Wt. average exercise price	Shares	Wt. average exercise price
Outstanding at the beginning of the year	1,228,632	264	3,511,408	317
Granted	120,000	489	-	-
Exercised	349,499	263	1,712,077	332
Forfeited and lapsed	876,387	264	570,699	367
Outstanding at the end of the year	122,746	484	1,228,632	264
Exercisable at the end of the year	2,746	245	1,228,632	264

Activity under Restricted Stock Option plans

Particulars	Year Ended March 31, 2009		Year Ended March 31, 2008	
	Shares	Wt. average exercise price	Shares	Wt. average exercise price
Outstanding at the beginning of the year	11,585,399	2	12,498,194	2
Granted	8,366,676	2	746,686	2
Exercised	2,209,124	2	741,591	2
Forfeited and lapsed	1,472,725	2	917,890	2
Outstanding at the end of the year	16,270,226	2	11,585,399	2
Exercisable at the end of the year	3,184,399	2	1,330,107	2

The following table provides details in respect of range of exercise price and weighted average remaining contractual life (in months) for the options outstanding as at March 31, 2009.

Range of exercise price	Year Ended March 31, 2009		Year Ended March 31, 2008	
	Shares	Wt. average remaining life	Shares	Wt. average remaining life
Rs 2	16,270,225	44.85	11,585,399	43.11
Rs 172 – 255	1,140	2.93	12,840	10.49
Rs 265 – 396	-	-	1,207,087	13.91
Rs 489	120,000	64	-	
$ 3.46 – 5.01	1,606	11.90	6,006	14.89
$ 5.82 – 6.90	-	-	2,699	11.93

iv) The Finance Act, 2007 introduced Fringe Benefit Tax (FBT) on employee stock options. The difference between the fair value of the underlying share on the date of vesting and the exercise price paid by the employee is subject to FBT. The Company recovers such tax from the employee. During the year ended March 31, 2009 the Company has recognised FBT liability and related recovery of Rs 197 Million (2008: Rs 81 Million) arising from the exercise of stock options. The Company's obligation to pay FBT arises only upon the exercise of stock options.

13. The Company had received tax demands from the Indian income tax authorities for the financial years ended March 31, 2001, 2002, 2003 and 2004 aggregating to Rs. 11,127 Million (including interest of Rs. 1,503 Million). The tax demand was primarily on account of denial of deduction claimed by the Company under Section 10A of the Income Tax Act 1961, in respect of profits earned by its undertakings in Software Technology Park at Bangalore. The appeals filed by the Company for the above years to the first appellate authority were allowed in favour of the Company, thus deleting substantial portion of the demand raised by the Income tax authorities. On further appeal filed by the income tax authorities, the second appellate authority upheld the claim of the company for the years ended March 31, 2001, 2002, 2003 and 2004. In December 2008, the Company received, on similar grounds, an additional tax demand of Rs. 5,388 Million (including interest of Rs. 1,615 Million) for the financial year ended March 31, 2005. The Company has filed an appeal against the said demand within the time limits permitted under the statute.

Considering the facts and nature of disallowance and the order of the first appellate authority upholding our claims for earlier years, we believe that the final outcome of the above disputes should be in our favour and there should not be any material impact on the financial statements.

14. Product warranty expenses are accrued based on the Company's historical experience of material usage and service delivery costs.

(Rs. in Million)

Particulars	For the year ended March 31,	
	2009	2008
Provision at the beginning of the year	941	831
Additions during the year	730	944
Utilised during the year	(682)	(834)
Provision at the end of the year	989	941

15. The working for computation of equity shares used in calculating basic & diluted earnings per share is set out below:

Particulars	For the year ended March 31, 2009	2008
Weighted average equity shares outstanding	**1,462,624,262**	1,459,089,479
Share held by a controlled trust	**(7,961,760)**	(7,961,760)
Weighted average equity shares for computing basic EPS	**1,454,662,502**	1,451,127,719
Dilutive impact of employee stock options	**4,690,367**	7,111,341
Weighted average equity shares for computing diluted EPS	**1,459,352,869**	1,458,239,060
Net income considered for computing diluted EPS (Rs in Million)	**38,999**	32,829

16. The list of subsidiaries is given below :

Direct Subsidiaries	Step Subsidiaries		Country of Incorporation
Wipro Inc.			USA
	Wipro Gallagher Solutions Inc		USA
	Enthink Inc.		USA
	Infocrossing Inc		USA
		Infocrossing, LLC	USA
cMango Pte Limited			Singapore
Wipro Japan KK			Japan
Wipro Shanghai Limited			China
Wipro Trademarks Holding Limited			India
	Cygnus Negri Investments Private Limited		India
Wipro Travel Services Limited			India
Wipro Consumer Care Limited			India
Wipro Holdings (Mauritius) Limited			Mauritius
	Wipro Holdings UK Limited		UK
		Wipro Technologies UK Limited	UK
		BVPENTEBeteiligun gsverwaltung GmbH	Austria
		New Logic Technologies GmbH	Austria
		NewLogic Technologies SARL	France
		3D Networks FZ-LLC	Dubai
		3D Networks (UK) Limited	UK
Wipro Cyprus Private Limited			Cyprus
	Wipro Technologies S.A DE C.V		Mexico
	Wipro BPO Philippines LTD. Inc		Philippines
	Wipro Holdings Hungary Korlátolt Felelõsségû Társaság		Hungary
	Wipro Technologies Argentina SA		Argentina
	Wipro Information Technology Egypt SAE		Egypt
	Wipro Arabia Limited [(a)]		Dubai
	Wipro Poland Sp Zoo		Poland
	Wipro Information Technology Netherlands BV (Formely Retail Box BV)		Netherlands

Direct Subsidiaries	Step Subsidiaries		Country of Incorporation
		Enabler Informatica SA	Portugal
		Enabler France SAS	
		Enabler UK Ltd	
		Wipro do Brasil Technologia Ltda	
		Wipro Technologies Gmbh.(formely Enabler & Retail Consult Gmbh)	
		Wipro Technologies Limited, Russia	Russia
	Wipro Technologies OY (formerly Saraware OY)		Finland
	Wipro Infrastructure Engineering AB		Sweden
		Wipro Infrastructure Engineering OY	Finland
		Hydrauto Celka San ve Tic	Turkey
	Wipro Technologies SRL		Romania
	Wipro Singapore Pte Limited		Singapore
		Unza Holdings Limited [(A)]	Singapore
		Wipro Technocentre (Singapore) Pte Limited	Singapore
		Wipro (Thailand) Co Limited	Thailand
Wipro Australia Pty Limited			Australia
Wipro Networks Pte Limited (formerly 3D Networks Pte Limited)			Singapore
Planet PSG Pte Limited			Singapore
	Planet PSG SDN BHD		Malaysia
Wipro Chengdu Limited			China
Wipro Chandrika Limited [(b)]			India
WMNETSERV Limited			Cyprus
	WMNETSERV (UK) Ltd.		UK
	WMNETSERV INC.		USA
Wipro Technology Services Limited			India

All the above subsidiaries are 100% held by the Company except the following:

a) 66.67% held in Wipro Arabia Limited

b) 90% held in Wipro Chandrika Limited

A. Step Subsidiary details of Unza Holdings Limited are as follows :

Step subsidiaries	Step subsidiaries		Country of Incorporation
Unza Company Pte Ltd			Singapore
Unza Indochina Pte Ltd			Singapore
	Unza Vietnam Co., Ltd		Vietnam
Unza Cathay Ltd			Hong Kong
Unza China Ltd			Hong Kong
	Dongguan Unza Consumer Products Ltd.		China
PT Unza Vitalis			Indonesia
Unza Thailand Limited			Thailand
Unza Overseas Ltd			British virgin islands
Unza Africa Limited			Nigeria
Unza Middle East Ltd			British virgin islands
Unza International Limited			British virgin islands
Positive Equity Sdn Bhd			Malaysia
Unza Nusantara Sdn Bhd			Malaysia
	Unza Holdings Sdn Bhd		Malaysia
	Unza Malaysia Sdn Bhd		Malaysia
		UAA (M) Sdn Bhd	Malaysia
	Manufacturing Services Sdn Bhd		Malaysia
		Shubido Pacific Sdn Bhd [(a)]	Malaysia
	Gervas Corporation Sdn Bhd		Malaysia
		Gervas (B) Sdn Bhd	Malaysia
	Formapac Sdn Bhd		Malaysia

a) All the above subsidiaries are 100% held by the Company except Shubido Pacific Sdn Bhd in which the holding is 62.55%

17. Related party relationships and transactions:

The related parties are:

Name of the entity	Nature	% of holding	Country of Incorporation
Wipro Equity Reward Trust	Trust	Fully controlled trust	India
Wipro Inc Trust	Trust	Fully controlled trust	USA
Wipro GE Healthcare Private Limited	Associate	49%	India
Azim Premji Foundation	Entity controlled by Director		
Hasham Premji (partnership firm)	Entity controlled by Director		
Azim Premji	Chairman and Managing Director		
Suresh C Senapaty	Chief Financial Officer & Director		
Suresh Vaswani	Jt CEO, IT Business & Director		
Girish S Paranjpe	Jt CEO, IT Business & Director		
Rishad Premji	Relative of the director		

The Company has the following related party transactions:

(Rs. in Million)

Transaction / Balances	Associate/ Trusts		Entities controlled by Directors		Non-Executive Directors/ Key Management personnel*	
	2009	2008	**2009**	2008	**2009**	2008
Sale of services	-	-	-	-	-	-
Sale of goods	15	19	1	4	-	-
Purchase of services	-	1	-	-	-	-
Dividend	36#	-	-	-	4,648	-
Payments to non-executive directors:						
Dr. Ashok Ganguly					2	1
Narayan Vaghul					2	1
Dr. Jagdish N Sheth					3	2
P.M. Sinha					1	1
B.C. Prabhakar					1	1
Bill Owens					4	3
Payments to key management personnel*					79	18
Balances as on March 31,						
Receivables	-	40	-	-	-	-
Payables	36#	-	-	-	4,652	-

*Includes remuneration paid to relative of director.

Represents dividend payable to Wipro Inc Trust and Wipro Equity Reward Trust.

The following are the significant transactions during the year ended March 31, 2009 and 2008:

(Rs. in Million)

Name of the entity	Sale of goods	
	2009	2008
Wipro GE Healthcare Private Limited	15	19

18. Estimated amount of contracts remaining to be executed on capital accounts and contingent liabilities:

(Rs. in Million)

Particulars	As at March 31,	
	2009	2008
Estimated amount of contracts remaining to be executed on Capital account and not provided for	5,371	7,266
Contingent liabilities in respect of:		
a) Disputed demands for excise duty, customs duty, income tax, sales tax and other matters	872	333
b) Performance and financial guarantees given by the Banks on behalf of the Company	8,305	4,392

19. Borrowings

The Company entered into an arrangement with a consortium of banks to obtain External Commercial Borrowings (ECB) during the year ended March 31, 2008. Pursuant to this arrangement the Company has availed ECB of approximately 35 billion Yen repayable in full in March 2013. The ECB is an unsecured borrowing and the Company is subject to certain customary restrictions on additional borrowings and quantum of payments for acquisitions in a financial year.

20. Income Tax

The provision for taxation includes tax liability in India on the company's worldwide income. The tax has been computed on the worldwide income as reduced by the various deductions and exemptions provided by the Income tax act in India (Act) and the tax credit in India for the tax liabilities payable in foreign countries.

Most of the company's operations are through units in Software Technology Parks ('STPs'). Income from STPs is eligible for 100% deduction for the earlier of 10 years commencing from the fiscal year in which the unit commences operations or March 31, 2010. The Company also has operations in Special Economic Zones (SEZ's). Income from SEZ's are eligible for 100% deduction for the first 5 years, 50% deduction for the next 5 years and 50% deduction for another 5 years subject to fulfilling certain conditions.

Pursuant to the amendments in the Act, the company has calculated its tax liability after considering the provisions of law relating to Minimum Alternate Tax (MAT). As per the Act, any excess of MAT paid over the normal tax payable can be carried forward and set off against the future tax liabilities and accordingly the same is disclosed under 'Loans and Advances' in the balance sheet as of March 31, 2009.

i) Provision for tax has been allocated as follows:

(Rs. in Million)

Particulars	**For the year ended March 31,**	
	2009	2008
Net Current tax*	**6,203**	4,194
Deferred tax	**(155)**	62
Fringe benefit tax	**412**	294
Total income taxes	**6,460**	4,550

*- Current tax provision includes reversal of tax provision in respect of earlier periods no longer required amounting to Rs 369 Million for the year ended March 31, 2009 (2008: Rs 529 Million) and Rs 212 Million for the quarter ended March 31, 2009 (2008: Rs (48) Million)

ii) The components of the net deferred tax asset are as follows :

(Rs. in Million)

Particulars	**As of March 31,**	
	2009	2008
Fixed assets – depreciation differential	**(548)**	(375)
Accrued expenses and liabilities	**715**	514
Allowances for doubtful debts	**260**	194
Amortisable goodwill	**(527)**	(472)
Carry – forward business losses	**811**	608
Others	**(27)**	60
Net deferred tax assets	**684**	529

21. The segment information for the quarter and year ended March 31, 2009 is as follows:

Until March 31, 2008, the Company was reporting Global IT Services & Products (comprising of IT Services & Products and BPO Services segments), India & AsiaPac IT Services & Products, Consumer Care & Lighting and Others.

In April 2008, the Company re-organized its IT businesses by combining the Global IT Services & Products and the India & AsiaPac IT Services & Products businesses and appointed joint CEOs for the combined IT business. Consequent to the re-organization of the Company, the Company changed its system of internal financial reporting to the board of directors and the chief executive officer wherein the financial results are reported as IT Services and IT Products. Accordingly, the Company identified IT services and IT products as reportable segments. There is no change in the reportable segments for other businesses.

Segment information in respect of earlier period has been revised to conform to the presentation as per current reportable segments.

IT Services segment provides IT and IT enabled services to customers. Key service offering includes software application development, application maintenance, research and development services for hardware and software design, data center outsourcing services and business process outsourcing services.

IT Products segment sells a range of Wipro personal desktop computers, Wipro servers and Wipro notebooks and is a value added reseller of desktops, servers, notebooks, storage products, networking solutions and packaged software for leading international brands.

Rs. in Million

Particulars	Quarter ended March 31,			Year ended March 31,		
	2009	2008	Growth %	2009	2008	Growth %
Revenues						
IT Services	**49,323**	41,206	20%	**191,661**	146,626	31%
IT Products	**8,698**	7,838	11%	**34,552**	26,400	31%
Consumer Care and Lighting	**5,164**	4,808	7%	**20,830**	15,207	37%
Others	**1,469**	3,272		**9,144**	11,691	
Eliminations	**(136)**	(122)		**(745)**	(349)	
TOTAL	**64,518**	57,002	13%	**255,442**	199,575	28%
Profit before Interest and Tax - PBIT						
IT Services	**10,729**	8,641	24%	**40,323**	31,290	29%
IT Products	**372**	375	-1%	**1,481**	1,227	21%
Consumer Care and Lighting	**683**	630	8%	**2,548**	1,900	34%
Others	**(310)**	285		**(348)**	770	
TOTAL	**11,474**	9,931	16%	**44,004**	35,187	25%
Interest and Other Income, Net	**308**	182		**1,192**	1,883	
Profit Before Tax	**11,782**	10,113	17%	**45,196**	37,070	22%
Income Tax expense including Fringe Benefit Tax	**(1,667)**	(1,399)		**(6,460)**	(4,550)	
Profit before Share in earnings of associates and minority interest	**10,115**	8,714	16%	**38,736**	32,520	19%
Share in earnings of associates	**35**	100		**362**	333	
Minority interest	**(50)**	(16)		**(99)**	(24)	
PROFIT AFTER TAX	**10,100**	8,798	15%	**38,999**	32,829	19%
Operating Margin						
IT Services	**21.8%**	21.0%		**21.0%**	21.3%	
IT Products	**4.3%**	4.8%		**4.3%**	4.6%	
Consumer Care and Lighting	**13.2%**	13.1%		**12.2%**	12.5%	
TOTAL	**17.8%**	17.4%		**17.2%**	17.6%	
CAPITAL EMPLOYED						
IT Services and Products	**119,997**	93,969		**119,997**	93,969	
Consumer Care and Lighting	**18,689**	17,292		**18,689**	17,292	
Others	**54,742**	50,659		**54,742**	50,659	
TOTAL	**193,428**	161,920		**193,428**	161,920	
CAPITAL EMPLOYED COMPOSITION						
IT Services and Products	**62%**	58%		**62%**	58%	
Consumer Care and Lighting	**9%**	11%		**9%**	11%	
Others	**29%**	31%		**29%**	31%	
TOTAL	**100%**	100%		**100%**	100%	
RETURN ON AVERAGE CAPITAL EMPLOYED						
IT Services and Products	**40%**	40%		**39%**	44%	
Consumer Care and Lighting	**15%**	15%		**14%**	19%	
TOTAL	**24%**	26%		**25%**	27%	

Notes to Segment Report

a) The segment report of Wipro Limited and its consolidated subsidiaries and associates has been prepared in accordance with the AS 17 "Segment Reporting" issued pursuant to the Companies (Accounting Standard) Rules, 2006 and by The Institute of Chartered Accountants of India.

b) In certain specific total outsourcing contracts of IT services segment, the company delivers hardware, software and other related deliverables. Revenue relating to these items are reported in the IT products segment.

c) Segment revenue includes the following exchange differences, which are reflected under other income in the financial statements.

(Rs. in Million)

Particulars	Quarter ended March 31,		Year ended March 31,	
	2009	2008	**2009**	2008
IT Services	**(778)**	(52)	**(1,308)**	155
IT Products	**(25)**	104	**(229)**	27
Consumer Care & Lighting	**(46)**	4	**(54)**	(21)
Others	**88**	(7)	**38**	(382)
	(761)	49	**(1,553)**	(221)

d) Segment wise depreciation is as follows:

(Rs. in Million)

Particulars	Quarter ended March 31,		Year ended March 31,	
	2009	2008	**2009**	2008
IT Services	**1,637**	1,303	**6,067**	4,680
IT Products	**49**	48	**88**	112
Consumer Care & Lighting	**118**	90	**420**	292
Others	**68**	67	**289**	275
	1,872	1,508	**6,864**	5,359

e) Segment PBIT includes Rs 155 Million and Rs 581 million (2008: Rs 119 Million and Rs 824 Million) for the quarter and year ended March 31, 2009 respectively of certain operating other income which is reflected in other income in the Financial Statements.

f) Capital employed of segments is net of current liabilities. The net current liability of segments is as follows :

(Rs. in Million)

Particulars	As of March 31,	
	2009	2008
IT Services and Products	**59,249**	30,456
Consumer Care and Lighting	**4,026**	3,382
Others	**22,396**	20,582
	85,671	54,420

g) The Company has four geographic segments: India, USA, Europe and Rest of the World. Significant portion of the segment assets are in India. Revenue from geographic segments based on domicile of the customers is outlined below:

(Rs. in Million)

Particulars	Year ended March 31,			
	2009	**%**	**2008**	%
India	**54,608**	**21**	48,847	24
USA	**115,105**	**45**	87,439	44
Europe	**57,109**	**22**	48,259	24
Rest of the World	**28,620**	**12**	15,030	8
	255,442	**100**	199,575	100

h) For the purpose of reporting, business segments are considered as primary segments and geographic segments are considered as secondary segments.

22. Cash and Bank

Details of balances with banks as of March 31, 2009 are as follows:

(Rs. in Million)

Bank Name	Current Account	Deposit Account	Total
Wells Fargo Bank	13,663	-	13,663
State Bank of India	296	6,306	6,602
ICICI Bank	64	4,660	4,724
IDBI Bank	11	3,202	3,213
Central Bank Of India	-	3,130	3,130
Oriental Bank of Commerce	2	2,702	2,704
HSBC Bank	2,388	60	2,448
Citi Bank	1,278	409	1,687
Union Bank Of India	-	1,500	1,500
HDFC Bank	1,438	-	1,438
The Saudi British Bank	1,213	-	1,213
Standard Chartered Bank	188	880	1,068
ING Vysya Bank	18	950	968
Others	1,705	2,374	4,079
Cash and cheques on hand	-	-	680
Total	**22,264**	**26,173**	**49,117**

23. Investments

(a) Investments in Indian money market mutual funds:

(Rs. in Million)

Fund House	As of March 31, 2009
ICICI Prudential	4,054
HDFC	2,196
UTI	1,942
Reliance	1,645
Birla Sun Life	1,424
Franklin Templeton	1,271
Kotak	460
IDFC	403
HSBC	300
DSP BlackRock	200
DWS	200
Tata	200
ING	171
Fidelity	150
Principal PNB	150
LIC	120
AIG	100
DBS Cholamandalam	100
Sundaram BNP Paribas	50
Total	**15,136**

(b) Investment in Certificates of Deposit:

(Rs. in Million)

Particulars	As of March 31, 2009
IDBI Bank	**478**
State Bank of Bikaner and Jaipur	**230**
HSBC Bank	**239**
Total	**947**

(c) Other Investments:

(Rs. in Million)

Particulars	As of March 31, 2009
Non-Convertible Debentures -Citicorp Finance	**250**
Investment in WEP Peripherals	**85**
Other Investments	**8**
Total	**343**

24. Corresponding figures for previous periods presented have been regrouped, where necessary, to confirm to the current period classification.

Pursuant to the exemption by the Department of Company affairs, Government of India, the Company is presenting summary financial information about individual subsidiaries as at March 31, 2009. The detailed financial statements, directors' report and auditors' report of the individual subsidiaries are available for inspection at the registered office of the Company. Upon written request from a shareholder we will arrange to deliver copies of the financial statement, directors' report and auditors' report for the individual subsidiaries.

Information relating to Subsidiaries as at March 31, 2009

(*Rs. in Million*)

Sr. No.	Name of the Subsidiary	Reporting Currency	Exchange rate as on March, 31 2009	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities [excl. (4) & (5)]	Investments- other than in subsidiaries	% of Holding	Sales & Other Income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend (incl. dividend tax)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1	Wipro Inc.	USD	50.70	13,631	(6,622)	28,157	21,689	540	100%	5,426	(427)	(79)	(348)	-
2	Enthink Inc. (a)	USD	50.70	105	(92)	14	1	-	100%	3	2	-	2	-
3	Wipro Japan KK	JPY	0.52	10	(36)	115	141	-	100%	273	(86)	17	(103)	-
4	Wipro Chandrika Limited	INR	1.00	10	(147)	215	351	-	90%	-	(31)	-	(31)	-
5	Wipro Trademarks Holding Limited	INR	1.00	1	35	38	2	-	100%	13	13	5	9	-
6	Wipro Travel Services Limited	INR	1.00	1	19	49	29	-	100%	24	3	2	1	-
7	Wipro Holdings (Mauritius) Limited	USD	50.70	1,391	(3)	1,390	2	-	100%	1	-	-	-	-
8	Wipro Holdings (UK) Limited (b)	USD	50.70	1,390	(49)	1,842	501	-	100%	204	(73)	-	(73)	-
9	Wipro Technologies UK Limited (c)	USD	50.70	132	(105)	405	379	-	100%	12	9	3	6	-
10	Wipro Consumer Care Limited	INR	1.00	1	(2)	1	2	-	100%	-	-	-	-	-
11	Cygnus Negri Investments Private Limited (d)	INR	1.00	1	2	5	2	-	100%	1	-	-	-	-
12	Wipro Shanghai Limited	RMB	7.42	9	(27)	187	204	-	100%	451	(12)	-	(12)	-
13	BVPENTE Beteiligungsverwaltung GmbH (e)	EUR	67.49	2	1,094	1,108	12	-	100%	-	(1)	-	(1)	-
14	New Logic Technologies GmbH	EUR	67.49	1,178	(1,801)	476	1,101	3	100%	1,132	(275)	-	(275)	-
15	NewLogic Technologies SARL	EUR	67.49	-	264	383	119	-	100%	630	110	2	108	-
16	cMango Pte Limited	SGD	33.34	-	19	30	11	-	100%	-	(2)	-	(2)	-
17	Wipro Cyprus Private Limited	EUR	67.49	8	29,878	31,261	1,375	-	100%	239	218	-	218	5
18	Wipro Technologies SRL (e)	RON	16.28	60	(108)	225	273	-	100%	206	(36)	-	(36)	-
19	Wipro Information Technology Netherlands BV (Formely Retail Box BV) (e)	EUR	67.49	4	338	466	123	-	100%	177	15	4	10	-
20	Enabler Infomatics SA (e)	EUR	67.49	3	1,133	1,750	614	-	100%	2,698	551	131	420	-
21	Wipro do Brasil Technologia Ltda (e)	BRL	21.79	10	99	403	294	-	100%	868	161	81	80	-
22	Wipro Technologies Gmbh.(formely Enabler & Retail Consult Gmbh) (e)	EUR	67.49	56	52	253	146	-	100%	537	139	13	126	-
23	Enabler France SAS (e)	EUR	67.49	2	(74)	132	204	-	100%	185	(15)	2	(17)	-
24	Enbler UK Ltd. (e)	GBP	72.57	-	74	696	622	-	100%	802	(134)	(5)	(129)	-
25	WMNETSERV Limited	USD	50.70	1	(16)	69	83	-	100%	49	(4)	1	(5)	-
26	WMNETSERV UK Limited	USD	50.70	9	26	142	107	-	100%	457	25	7	18	-
27	Wipro Technologies OY (formerly Saraware OY)	EUR	67.49	4	312	727	410	-	100%	1,100	61	20	41	-
28	3D Networks FZ-LLC	AED	13.81	1	19	22	2	-	100%	16	4	-	4	-
29	3D Networks (UK) Limited	GBP	72.57	7	-	13	7	-	100%	7	1	-	1	-
30	Wipro Networks Pte Limited (formerly 3D Networks Pte Limited)	SGD	33.34	807	(55)	1,750	998	-	100%	2,710	6	39	(33)	-
31	Planet PSG Pte Limited	SGD	33.34	42	(30)	24	12	-	100%	23	4	1	3	-
32	Planet PSG Sdn Bhd	MYR	13.90	-	(10)	7	17	-	100%	7	1	-	1	-
33	Wipro Infrastructure Engineering Oy (formerly Hydrauto Oy Ab Pernion)	EUR	67.49	88	139	774	547	-	100%	1,883	18	7	12	-
34	Wipro Infrastructure Engineering AB (formerly Hydrauto Group Ab)	SEK	6.16	48	119	2,031	1,865	-	100%	4,189	(400)	7	(408)	-
35	Infocrossing Inc	USD	50.70	-	2,392	9,286	6,894	-	100%	1,263	(1,157)	-	(1,157)	-
36	Infocrossing LLC	USD	50.70	-	4,725	5,453	727	-	100%	5,567	512	-	512	-

Sr. No.	Name of the Subsidiary	Reporting Currency	Exchange rate as on March, 31 2009	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities [excl. (4) & (5)]	Investments- other than in subsidiaries	% of Holding	Sales & Other Income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend (incl. dividend tax)
37	Unza Holding Ltd	SGD	33.34	1,901	(596)	4,554	3,248	-	100%	185	76	1	76	-
38	Unza Company Pte Ltd	SGD	33.34	57	(40)	100	83	-	100%	301	8	-	8	-
39	Unza Indochina Pte Ltd	SGD	33.34	86	227	328	15	-	100%	117	53	6	47	-
40	Unza Vietnam Company Limited	VND	0.01	84	256	614	274	-	100%	1,339	156	44	112	56
41	Unza Cathay Limited	HKD	6.54	56	40	201	104	-	100%	464	(1)	2	(3)	-
42	Unza China Limited	HKD	6.54	114	3	152	36	-	100%	25	(5)	-	(5)	-
43	Dongguan Unza Consumer Products Ltd	RMB	7.42	329	(182)	391	244	-	100%	831	(23)	-	(23)	-
44	PT Unza Vitalis	IDR	0.01	239	76	977	663	-	100%	1,242	44	8	36	-
45	Unza Thailand Limited	THB	1.43	34	(100)	18	84	-	100%	39	(9)	-	(9)	-
46	Unza Overseas Ltd	USD	50.70	-	113	147	34	-	100%	324	47	-	47	-
47	Unza Africa Limited	USD	50.70	-	5	9	4	-	100%	-	-	-	-	-
48	Unza Middle East Ltd	USD	50.70	-	127	246	118	-	100%	634	43	-	43	-
49	Unza International Limited	USD	50.70	441	1,654	2,119	25	-	100%	84	55	-	55	-
50	Positive Equity Sdn Bhd	MYR	13.90	-	-	-	-	-	100%	-	-	-	-	-
51	Unza Nusantara sdn Bhd	MYR	13.90	1,192	733	4,260	2,335	-	100%	326	138	38	100	-
52	Unza Holdings Sdn Bhd	MYR	13.90	-	2,603	2,603	-	-	100%	-	-	-	-	-
53	Unza Malaysia Sdn Bhd	MYR	13.90	55	459	789	276	-	100%	3,320	288	76	212	68
54	UAA Sdn Bhd	MYR	13.90	2	222	1,019	794	-	100%	3,428	35	10	25	-
55	Manufacturing Services Sdn Bhd	MYR	13.90	4	247	590	339	-	100%	1,975	87	21	66	18
56	Shubido Pacific Sdn Bhd	MYR	13.90	47	49	87	35	44	51%	194	34	8	26	22
57	Gervas Corporation Sdn Bhd	MYR	13.90	19	25	181	136	-	100%	906	18	-	18	-
58	Gervas (B) Sdn Bhd	BND	34.75	-	21	21	-	-	100%	1	-	-	1	-
59	Formapac Sdn Bhd	MYR	13.90	36	142	335	156	-	100%	611	28	3	24	-
60	Wipro Technologies S.A DE C. V	MXN	3.62	2	67	359	290	-	100%	334	48	14	34	-
61	Wipro Singapore Pte Limited	SGD	33.34	10,756	1	10,769	22	10	100%	1	1	-	1	-
62	Wipro Australia Pty Limited	AUD	35.11	1	5	10	5	-	100%	42	4	1	3	-
63	Wipro Arabia Limited	SAR	13.52	164	567	4,708	3,977	-	67%	5,276	461	94	367	-
64	Wipro Holdings Hungary Korlatolt Felel.sseg. Tarsasag	HUF	0.22	-	18,784	18,899	115	-	100%	847	836	100	736	409
65	Wipro Technocentre (Singapore) Pte Limited	SGD	33.34	54	90	213	70	-	100%	292	41	-	41	-
66	Wipro BPO Philippines Ltd. Inc	USD	50.70	204	(93)	200	88	-	100%	110	(78)	-	(78)	-
67	Wipro Technologies Limited, Russia	RUB	1.50	3	33	121	85	-	100%	118	51	13	38	-
68	Wipro Gallagher Solutions Inc	USD	50.70	75	4	340	260	-	100%	907	(13)	-	(13)	-
69	Wipro Technologies Argentina SA	ARS	14.06	-	(24)	56	81	-	100%	20	(25)	-	(25)	-
70	Wipro Poland Sp Zoo	PLN	14.58	1	31	178	146	-	100%	176	38	7	31	-
71	Wipro Information Technology Egypt SAE	EGP	9.32	7	4	88	77	-	100%	123	9	4	5	-
72	Wipro (Thailand) Co Limited	THB	1.43	1	-	1	-	-	100%	-	-	-	-	-
73	Wipro Technology Services Limited	INR	1.00	393	1,369	3,304	1,542	-	100%	3,852	1,380	706	674	-
74	Wipro Chengdu Limited (f)	-	-	-	-	-	-	-	100%	-	-	-	-	-
75	Hydrauto Celka San ve Tic (g)	-	-	-	-	-	-	-	100%	-	-	-	-	-
76	WMNETSERV Inc (g)	-	-	-	-	-	-	-	100%	-	-	-	-	-

a) Majority owned by Wipro Inc.
b) Fully owned by Wipro Holdings (Mauritius) Limited
c) Fully owned by Wipro Holdings (UK) Limited
d) Fully owned by Wipro Trademarks Holding Limited
e) The financial results are as of and for the year ended March, 31 2009.
f) Wipro Chengdu Limited is yet to commence operations
g) Hydrauto Celka San ve Tic and WMNETSERV Inc are not operative and hence not included above

RECONCILIATION OF PROFITS BETWEEN US GAAP AND INDIAN GAAP

(Rs. in Million)

		Fiscal 2009	Fiscal 2008
Profit after tax as per Indian GAAP	Notes	38,999	32,829
Intangible asset amortisation	A	(924)	(402)
Difference in revenue recognition norms	B	(424)	(351)
Stock Compensation Expense	C	172	101
Transfer of Real Estate Property	D	-	(154)
Fringe Benefit Tax on Stock Compensation	E	(197)	(81)
Hedge of net investments in overseas operations	F	(3,070)	-
Others		(141)	299
Net Income as per US GAAP		34,415	32,241

A. In US GAAP, a portion of the purchase consideration in a business acquisition is allocated to intangible assets which meets the criteria for being recognized as an asset apart from goodwill. These intangible assets are amortised over their useful life in proportion to the economic benefits consumed in each reporting period. The increase in intangible amortization is primarily due to acquisition of Infocrossing and UNZA in fiscal 2008 and certain acquisitions consummated in fiscal 2009.

B. Revenue from sale of products is recognized on dispatch. However in US GAAP where installation is a condition to the contract, revenue recognition is limited to the portion of consideration due upon delivery . Costs in excess of revenue recognized is deferred and recognized upon completion of installation. Similarly in US GAAP, revenue on certain category of service contracts are recognized on a straight line basis while in Indian GAAP the revenue is recognized on the basis of amounts invoiced to the customer. Further, there are differences between Indian GAAP and US GAAP relating to norms for recognizing revenue on sale of software products.

C. In Indian GAAP stock compensation expense is reversed for options which do not vest due to attrition at actuals. In US GAAP the stock compensation expense is recognized net of expected attrition. In fiscal 2008 and 2009 the Company has revised its estimates of expected attrition.

D. In US GAAP gain on sale of real estate property to controlling shareholder is recognized directly in stockholders equity.

E. The Company has modified the stock options plans to recover the Fringe Benefit Tax (FBT recovery) from employees. In US GAAP, FBT recovery is recognized as additional exercise price and recorded in stockholders' equity. In Indian GAAP FBT recovery is offset against the FBT payout.

F. Foreign currency borrowings and related cross currency swaps are considered as effective hedge of net investment in non-integral foreign operation. The portion of the changes in fair value of derivative financial instruments that are determined to be an effective hedge are recognized in the shareholders' funds and will be recognized in the profit and loss account upon sale or disposal of related non-integral foreign operation. In US GAAP these gains/ losses are recognized in the profit and loss account.

REPORT OF AUDIT COMMITTEE

The Board of Directors and Stockholders of Wipro Limited

In connection with the March 31, 2009 consolidated financial statements prepared under United States Generally Accepted Accounting Principles, the Audit Committee: (1) reviewed and discussed the consolidated financial statements with management; (2) discussed with the auditors the matters required by Statement on Auditing Standards No. 114, and the Sarbanes-Oxley Act of 2002; and (3) reviewed and discussed with the auditors the matters required by NYSE Listing Standards. Based upon these reviews and discussions, the Audit Committee recommended to the board of directors that the audited consolidated financial statements be included in the Annual Report on Form 20-F to be filed with the Securities and Exchange Commission of the United States of America..

Bangalore, India	**N. Vaghul**	**P. M. Sinha**	**B. C. Prabhakar**
May 15, 2009	Chairman	Member	Member

INTERNAL CONTROL OVER FINANCIAL REPORTING

MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15(d)-15(f) under the Exchange Act. The 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 accounting principles generally accepted in the United States of America.

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 the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and (iii) 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.

Management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of internal control over financial reporting as of March 31, 2009. In conducting this assessment of internal control over financial reporting, management based its evaluation on the framework in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, management concluded that the company's internal control over financial reporting was effective as of March 31, 2009.

Our independent registered public accounting firm, KPMG, has audited the consolidated financial statements in this Annual Report on Form 20-F, and as part of their audit, has issued their report, included herein, on the effectiveness of our internal control over financial reporting as of March 31, 2009.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders
Wipro Limited

We have audited Wipro Limited and subsidiaries' (the "Company") internal control over financial reporting as of March 31, 2009, based on criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The management of the Company 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 Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 31, 2009, based on criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of the Company as of March 31, 2009 and 2008, and the related consolidated statements of income, stockholders' equity and comprehensive income, and cash flows for each of the years in the three-year period ended March 31, 2009, and our report dated May 15, 2009 expressed an unqualified opinion on those consolidated financial statements.

KPMG
Bangalore, India
May 15, 2009

REPORT OF MANAGEMENT

Management of Wipro is responsible for the integrity and objectivity of the consolidated financial statements and related notes. The consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP) and include amounts based on judgments and estimates by management. Management is also responsible for the accuracy of the related data in the annual report and its consistency with the financial statements.

Management maintains internal control systems designed to provide reasonable assurance that assets are safeguarded, transactions are executed in accordance with management's authorization and properly recorded, and accounting records are adequate for preparation of financial statements and other financial information. These are reviewed at regular intervals to ascertain their adequacy and effectiveness.

In addition to the system of internal controls, the Company has articulated its vision and core values which permeate all its activities. It also has corporate policies to ensure highest standards of integrity in all business transactions, eliminate possible conflicts of interest, ensure compliance with laws, and protect confidentiality of proprietary information. These are reviewed at periodic intervals.

The consolidated financial statements have been audited by the Company's independent registered public accounting firm, KPMG. Their responsibility is to audit these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States) and express their opinion on the fairness of presentation of the statements.

The Audit Committee of the board comprised entirely of independent directors conducts an ongoing appraisal of the independence and performance of the Company's internal and external auditors and monitors the integrity of Company's financial statements. The Audit Committee meets several times during the year with management, internal auditors and the independent registered public accounting firm to discuss audit activities, internal controls and financial reporting matters.

	Azim H. Premji	**S.C. Senapaty**
Bangalore, India	Chairman &	Chief Financial Officer &
May 15, 2009	Chief Executive Officer	Director

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders
Wipro Limited

We have audited the accompanying consolidated balance sheets of Wipro Limited and subsidiaries (the Company) as of March 31, 2009 and 2008, and the related consolidated statements of income, stockholders' equity and comprehensive income, and cash flows for each of the years in the three-year period ended March 31, 2009. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2009 and 2008, and the results of their operations and their cash flows for each of the years in the three-year period ended March 31, 2009, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company's internal control over financial reporting as of March 31, 2009, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated May 15, 2009 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

KPMG
Bangalore, India
May 15, 2009

WIPRO LIMITED AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS

(in millions, except share data)

	As of March 31,		
	2008	2009	2009 Convenience translation into US$ (Unaudited)
ASSETS			
Current assets:			
Cash and cash equivalents (Note 4)	Rs. 39,270	Rs. 49,117	$ 966
Short-term investments (Note 8)	14,808	16,180	318
Accounts receivable, net of allowances (Note 5)	38,908	46,217	909
Unbilled revenue	8,305	13,843	272
Inventories (Note 6)	7,172	8,686	171
Deferred income taxes (Note 21)	790	3,639	72
Other current assets (Note 7)	19,092	27,040	532
Total current assets	128,345	164,722	3,238
Property, plant and equipment, net (Note 9)	39,822	49,862	980
Investments in affiliates (Note 13)	1,343	1,670	33
Investment securities	355	338	7
Deferred income taxes (Note 21)	-	169	3
Intangible assets, net (Note 10)	12,480	17,604	346
Goodwill (Note 3,10)	38,943	49,502	973
Other assets (Note 7)	3,214	6,681	131
Total assets	Rs. 224,502	Rs. 290,548	$ 5,712
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Short-term borrowings (Note 16)	Rs. 28,804	Rs. 36,472	$ 717
Current portion of long-term debt (Note 16)	406	235	5
Current portion of obligations under capital leases (Note 9)	323	504	10
Accounts payable	13,082	18,017	354
Accrued expenses	8,110	14,452	284
Accrued employee costs	5,160	7,035	138
Advances from customers	2,136	3,127	61
Unearned revenue	4,162	6,918	136
Other current liabilities (Note 11)	12,519	26,121	513
Total current liabilities	74,702	112,881	2,220
Long-term debt, excluding current portion (Note 16)	14,522	18,681	367
Obligations under capital leases, excluding current portion (Note 9)	701	914	18
Deferred income taxes (Note 21)	2,098	4,023	79
Other liabilities (Note 11)	3,011	3,632	71
Total liabilities	95,034	140,131	2,755
Minority interest	114	235	5
Stockholders' equity:			
Equity shares at Rs. 2 par value: 1,650,000,000 shares authorized; Issued and outstanding: 1,461,453,320 and 1,464,980,746 shares as of March 31, 2008 and 2009 (Note 17)	2,923	2,930	58
Additional paid-in capital (Note 22)	26,441	29,025	571
Accumulated other comprehensive loss	(1,076)	(9,873)	(194)
Retained earnings (Note 18)	101,066	128,642	2,529
Equity shares held by controlled Trusts: 7,961,760 and 8,930,563 shares as of March 31, 2008 and 2009 (Note 22)	-	(542)	(11)
Total stockholders' equity	129,354	150,182	2,952
Total liabilities and stockholders' equity	Rs. 224,502	Rs. 290,548	$ 5,712

See accompanying notes to the consolidated financial statements.

WIPRO LIMITED AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF INCOME

(in millions, except share and per share data)

	Year ended March 31,			
	2007	2008	2009	2009 Convenience translation into US$ (Unaudited)
Revenues:				
Services	Rs. 117,819	Rs. 146,170	Rs. 193,924	$ 3,787
Products	31,612	51,258	60,640	1,217
Total	149,431	197,428	254,564	5,004
Cost of revenues:				
Services	(76,488)	(98,606)	(129,769)	(2,527)
Products	(25,980)	(40,630)	(48,407)	(976)
Total	(102,468)	(139,236)	(178,176)	(3,503)
Gross profit	46,963	58,192	76,388	1,502
Operating expenses:				
Selling and marketing expenses	(9,173)	(13,807)	(17,762)	(349)
General and administrative expenses	(7,639)	(10,820)	(14,696)	(289)
Amortization of intangible assets (Note 10)	(269)	(616)	(1,488)	(29)
Foreign exchange gains/(losses), net	(197)	125	(1,596)	(31)
Others, net	221	640	544	11
Operating income	29,906	33,714	41,390	814
Other income, net (Note 19)	2,628	2,167	(1,816)	(36)
Equity in earnings of affiliates (Note 13)	318	257	362	7
Income before income taxes, minority interest and cumulative effect of change in accounting principle.	32,852	36,138	39,936	785
Income taxes (Note 21)	(3,723)	(3,873)	(5,422)	(107)
Minority interest	-	(24)	(99)	(2)
Income before cumulative effect of change in accounting principle	29,129	32,241	34,415	677
Cumulative effect of change in accounting principle (Note 2)	39	-	-	-
Net income	Rs. 29,168	Rs. 32,241	Rs. 34,415	$ 677
Earnings per equity share: (Note 23)				
Basic				
Income before cumulative effect of change in accounting principle	20.42	22.23	23.67	0.47
Cumulative effect of change in accounting principle	0.03	-	-	-
Net income	20.45	22.23	23.67	0.47
Diluted				
Income before cumulative effect of change in accounting principle	20.17	22.16	23.63	0.46
Cumulative effect of change in accounting principle	0.03	-	-	-
Net income	20.20	22.16	23.63	0.46
Weighted-average number of equity shares used in computing earnings per equity share:				
Basic	1,426,709,163	1,450,604,615	1,454,010,222	
Diluted	1,444,467,557	1,454,780,607	1,456,290,715	

See accompanying notes to the consolidated financial statements

WIPRO LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND COMPREHENSIVE INCOME
(in millions, except share and per share data)

	Equity Shares No. of Shares	Equity Shares Amount	Additional Paid in Capital	Deferred Stock Compensation	Comprehensive Income	Accumulated Other Comprehensive Income/(loss)	Retained Earnings	Equity Shares held by controlled Trusts No. of Shares	Equity Shares held by controlled Trusts Amount	Total Stockholders' Equity
Balance as of March 31, 2006	1,425,754,267	Rs. 2,852	Rs.16,521	Rs. (2,202)		Rs. 434	Rs. 61,161	(7,869,060)	Rs. -	Rs. 78,764
Cash dividends (Note 17)	-	-	-	-	-	-	(16,382)	-	-	(16,382)
Elimination of deferred stock compensation balance on adoption of SFAS No. 123 (R) (Note 2)	-	-	(2,202)	2,202	-	-	-	-	-	-
Cumulative effect of change in accounting principle (Note 2)	-	-	(39)	-	-	-	-	-	-	(39)
Issuance of equity shares on exercise of options (Note 22)	32,095,328	64	8,830	-	-	-	-	-	-	8,894
Issuance of equity shares on exercise of options through non-recourse note (Note 22)	1,150,055	2	(2)	-	-	-	-	-	-	-
Equity shares forfeited, net of issuance by Trust	-	-	-	-	-	-	-	(92,700)	-	-
Compensation cost related to employee stock incentive plan	-	-	1,336	-	-	-	-	-	-	1,336
Excess income tax benefit related to employees stock incentive plan	-	-	65	-	-	-	-	-	-	65
Comprehensive income										
Net income	-	-	-	-	29,169	-	29,169	-	-	29,169
Other comprehensive income / (loss)										-
Translation adjustments (Note 15)	-	-	-	-	(131)	-	-	-	-	-
Unrealized gain on investment securities, net (net of tax effect of Rs. 25)	-	-	-	-	45	-	-	-	-	-
Unrealized gain on cash flow hedging derivatives, net (Note 14)	-	-	-	-	(130)	-	-	-	-	-
Total other comprehensive loss	-	-	-	-	(216)	(216)	-	-	-	(216)
Comprehensive income	-	-	-	-	28,953	-	-	-	-	-
Adjustment to initially apply SFAS No. 158 (net of tax effect of Rs. (18))	-	-	-	-	-	(124)	-	-	-	(124)
Balance as of March 31, 2007	1,458,999,650	Rs. 2,918	Rs. 24,508	Rs.-	-	Rs. 94	Rs. 73,948	(7,961,760)	Rs.	Rs. 101,468
Cash dividends (Note 17)	-	-	-	-	-	-	(5,123)	-	-	(5,123)
Issuance of equity shares on exercise of options (Note 22)	2,453,670	5	687	-	-	-	-	-	-	692
Compensation cost related to employee stock incentive plan	-	-	1,076	-	-	-	-	-	-	1,076
Gain on sale of long-lived assets to the controlling shareholder,(net of tax effect of Rs. 52)	-	-	102	-	-	-	-	-	-	102
Excess income tax benefit related to employees stock incentive plan	-	-	68	-	-	-	-	-	-	68
Comprehensive income										
Net income	-	-	-	-	32,241	-	32,241	-	-	32,241
Other comprehensive income / (loss)										
Translation adjustments (Note 15)	-	-	-	-	110	-	-	-	-	-
Unrecognized actuarial loss, net [net of tax effect of Rs. (17)]	-	-	-	-	(59)	-	-	-	-	-
Unrealized loss on investment securities, net [net of tax effect of Rs. (25)]	-	-	-	-	(52)	-	-	-	-	-
Unrealized loss on cash flow hedging derivatives, net (Note 14)	-	-	-	-	(1,169)	-	-	-	-	-
Total other comprehensive loss	-	-	-	-	(1,170)	(1,170)	-	-	-	(1,170)
Comprehensive income	-	-	-	-	31,071					
Balance as of March 31, 2008	1,461,453,320	Rs. 2,923	Rs. 26,441	Rs. -		Rs. (1,076)	Rs. 101,066	(7,961,760)	Rs. -	Rs. 129,354
Cash dividend (Note 17)	-	-	-	-	-	-	(6,839)	-	-	(6839)
Issuance of equity shares to wholly owned trust (Note 17)	968,803	2	540	-	-	-	-	(968,803)	(542)	-
Issuance of equity shares on exercise of options (Note 22)	2,558,623	5	431	-	-	-	-	-	-	436
Compensation cost related to employee stock incentive plan (Note 22)	-	-	1,595	-	-	-	-	-	-	1,595
Excess income tax benefit related to employee stock incentive plan	-	-	18	-	-	-	-	-	-	18
Comprehensive income/(loss)				-						
Net income	-	-	-	-	34,415	-	34,415	-	-	34,415
Other comprehensive income/(loss)										
Translation adjustments (Note 15)	-	-	-	-	4,771	-	-	-	-	-
Unrecognized actuarial gain, net [net of tax effect of Rs. 27]	-	-	-	-	101	-	-	-	-	-
Unrealized loss on investment securities, net (net of tax effect of Rs. (131)) (Note 8)	-	-	-	-	(260)	-	-	-	-	-
Unrealized loss on cash flow hedging derivatives, net (net of tax effect of Rs. (2,353)) (Note 14)	-	-	-	-	(13,409)	-	-	-	-	-
Total other comprehensive loss				-	(8,797)	(8,797)	-	-	-	(8,797)
Comprehensive income				-	25,618					
Balance as of March 31, 2009	1,464,980,746	Rs. 2,930	Rs. 29,025	Rs. -		Rs. (9,873)	Rs. 128,642	(8,930,563)	Rs. (542)	Rs. 150,182
Balance as of March 31, 2009 ($)		$ 58	$ 571	$ -		$ (194)	$ 2,529		$ (11)	$ 2,952

See accompanying notes to the consolidated financial statements

WIPRO LIMITED AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)

	Year ended March 31,			
	2007	2008	2009	2009 Convenience translation into US$ (Unaudited)
Cash flows from operating activities:				
Net income	Rs. 29,168	Rs. 32,241	Rs. 34,415	$ 677
Adjustments to reconcile net income to net cash provided by operating activities:				
Gain on sale of property, plant and equipment	(10)	(20)	(28)	(1)
Cumulative effect of change in accounting principle	(39)	-	-	-
Depreciation and amortization	4,309	6,067	8,357	164
Deferred tax expense/(benefit)	(29)	(409)	(799)	(16)
Unrealized exchange (gain)/loss	470	(596)	6,770	133
Deferred cancellation losses relating to roll-over cash flow hedges	-	-	(11,357)	(223)
Cancellation losses relating to net investment in foreign operations	-	-	(839)	(16)
Gain on sale of investment securities	(549)	(771)	(681)	(13)
Stock based compensation	1,336	1,076	1,595	31
Equity in earnings of affiliates	(318)	(257)	(362)	(7)
Minority interest	-	24	99	2
Changes in operating assets and liabilities:				
Accounts receivable, net of allowances	(6,167)	(7,720)	(6,460)	(127)
Unbilled revenue	(760)	(3,208)	(5,538)	(109)
Inventories	(1,060)	(1,842)	(1,513)	(30)
Other assets	(2,152)	(7,738)	(4,120)	(81)
Accounts payable	1,497	2,211	3,707	73
Accrued expenses and employee costs	893	4,157	8,204	161
Advances from customers and unearned revenue	1,384	3,153	3,604	71
Other liabilities	2,188	(1,773)	1,778	35
Net cash provided by operating activities	30,161	24,595	36,832	724

	Year ended March 31,			
	2007	2008	2009	2009 Convenience translation into US$ (Unaudited)
Cash flows from investing activities:				
Expenditure on property, plant and equipment	(11,392)	(14,674)	(16,592)	(326)
Proceeds from sale of property, plant and equipment	149	479	358	7
Purchase of investments	(123,726)	(231,684)	(342,717)	(6,737)
Proceeds from sale of investments	121,542	250,013	341,687	6,717
Investments in interest–bearing deposits with corporates	(250)	(500)	(3,750)	(74)
Redemption of interest-bearing deposits with corporates	100	650	-	-
Payment for acquisitions, net of cash acquired	(7,800)	(32,789)	(6,679)	(131)
Net cash provided by/(used in) investing activities	(21,377)	(28,505)	(27,693)	(544)
Cash flows from financing activities:				
Proceeds from issuance of equity shares	8,894	692	436	9
Proceeds from issuance of equity shares by a subsidiary	-	55	-	-
Proceeds/(repayment) from/of short-term borrowings, net	1,825	21,370	6,454	127
Repayment of long-term debt and obligation under capital leases	-	(1,081)	(460)	(9)
Proceeds from long-term debt	147	15,087	425	8
Payment of cash dividends	(8,873)	(5,393)	(6,829)	(134)
Movement in restricted cash relating to cash dividends	(7,238)	-	-	-
Excess income tax benefit related to employee stock incentive plan	65	68	18	-
Net cash provided / (used in) financing activities	(5,180)	30,798	44	1
Net increase in cash and cash equivalents during the year	3,604	26,888	9,184	181
Effect of exchange rate changes on cash	(50)	(30)	663	13
Cash and cash equivalents at the beginning of the year	8,858	12,412	39,270	773
Cash and cash equivalents at the end of the year	Rs. 12,412	Rs. 39,270	Rs. 49,117	$ 966
Supplementary information:				
Cash paid for interest	Rs. 125	Rs. 1,440	Rs. 2,400	$ 47
Cash paid for income taxes	4,252	5,459	7,798	153

See accompanying notes to the consolidated financial statements

Index of Notes to Accounts

WIPRO LIMITED AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

1. Overview

Wipro Limited (Wipro), together with its subsidiaries (collectively, the Company) is a leading India based provider of IT Services, including Business Process Outsourcing (BPO) services, globally. Further, Wipro has other businesses such as IT Products, Consumer Care and Lighting and Infrastructure Engineering. Wipro is headquartered in Bangalore, India.

2. Significant Accounting Policies

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

Basis of preparation of financial statements. The accompanying consolidated financial statements of the Company have been prepared in accordance with U.S. GAAP.

Functional currency and exchange rate translation. The functional currency of Wipro and its domestic subsidiaries is the Indian rupee, the national currency of India. The functional currency of Wipro's foreign subsidiaries is determined based on an evaluation of the individual and collective economic factors as discussed in Statement of Financial Accounting Standard (SFAS) No. 52, Foreign Currency Translation. The assets and liabilities of subsidiaries that have local functional currency are translated into Indian rupees at the exchange rate in effect at the balance sheet date. Revenue and expense accounts are translated at monthly weighted-average exchange rate for the respective periods. The gains or losses resulting from such translation are reported as a separate component of stockholders' equity under accumulated other comprehensive income.

Foreign currency transactions are translated into the functional currency at the rates of exchange prevailing on the date of respective transactions. Monetary assets and liabilities in foreign currency are translated into the functional currency at the exchange rates prevailing on the balance sheet date. The resulting exchange gains/(losses) are included in the statement of income. Gains/(losses) relating to debt denominated in foreign currency are included in Other income, net. All other exchange gains/(losses) are reported in comprehensive income/(loss).

Convenience translation. The accompanying consolidated financial statements have been reported in Indian rupees, the national currency of India. Solely for the convenience of the readers, the financial statements as of and for the year ended March 31, 2009, have been translated into US dollars at the certified foreign exchange rates published by Federal Reserve Board of New York on March 31, 2009, of $ 1 = Rs. 50.87. 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.

Recently adopted accounting pronouncements. In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements". SFAS No. 157 defines "fair value", establishes a framework for the measurement of fair value and enhances disclosures about fair value measurements. The statement does not require any new fair value measures but its provisions apply when fair value measurements are performed as required or permitted under other accounting pronouncements. In February 2008, the FASB approved FASB Staff Position No.157-2, "Effective Date of FASB statement No. 157", which grants a one-year deferral of SFAS No. 157's fair-value measurement requirements for non-financial assets and liabilities, except for items that are measured or disclosed at fair value in the financial statements on a recurring basis.

Effective April 1, 2008, the Company adopted SFAS No. 157 for financial assets and liabilities recognized at fair value on a recurring basis. The partial adoption of SFAS No. 157 for financial assets and liabilities did not have a material impact on the Company's financial position and results of operations.

The valuation techniques required by SFAS No. 157 are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect our market assumptions. These two types of inputs create the following fair value hierarchy:

Level 1 Quoted prices for identical instruments in active markets.

Level 2 Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 Significant inputs to the valuation model are unobservable

The Company adopted SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities (SFAS No. 159) effective April 1, 2008. Adoption of SFAS No. 159 did not have a material effect on the Company's consolidated financial statements.

Principles of consolidation. The consolidated financial statements include the financial statements of Wipro and all of its subsidiaries, which are more than 50% owned and controlled. All inter-company accounts and transactions are eliminated on consolidation. The Company accounts for investments by the equity method where its investment in the voting stock gives it the ability to exercise significant influence over the investee.

Cash equivalents. The Company considers investments in highly liquid instruments that are purchased with remaining maturities, of three months or less to be cash equivalents.

Revenue recognition.

Services. Revenue from services, as rendered, are recognized when persuasive evidence of an arrangement exists, the sales price is fixed or determinable and collectibility is reasonably assured. Revenues from software development services comprise revenues from time-and-material and fixed-price contracts. Revenue on time-and-material contracts is recognized as the related services are performed. Revenue from fixed-price, fixed-time frame contracts is recognized in accordance with the percentage of completion method. Guidance has been drawn from the Accounting Standards Executive Committee's conclusion in paragraph 95 of Statement of Position (SOP) 97-2, Software Revenue Recognition, to account for revenue from fixed price arrangements for software development and related services in conformity with SOP 81-1, Accounting for Performance of Construction-Type and Certain Production-Type Contracts. The input (cost expended) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses on contracts-in-progress are recorded in the period in which such losses become probable based on the current contract estimates. Maintenance revenue is recognized ratably over the term of the agreement. Revenue from certain service arrangement involving defined but dissimilar acts is generally recognized using the proportional performance method.

Revenues from BPO Services are derived from both time-based and unit-priced contracts. Revenue is recognized as the related services are performed, in accordance with the specific terms of the contract with the customers. Revenue and costs attributable to certain process transition activities are deferred where such activities do not represent the culmination of a separate earnings process. Such revenue and related costs are recognized ratably over the period in which the related services are performed. Deferred costs are limited to the amount of deferred revenues.

Products. Revenue from sale of products is recognized when persuasive evidence of an arrangement exists, the product has been delivered in accordance with the sales contract, the sales price is fixed or determinable and collectibility is reasonably assured.

Revenue from sales of equipment under sales-type lease is recorded at the inception of lease. The Company records the gross finance receivable, unearned income and the estimated residual value of the leased equipment on consummation of sales-type lease. Residual values are estimated based upon the average expected proceeds to be received at the end of the lease term. Unearned income represents the excess of the gross finance receivable plus the estimated residual value over the sales price of the equipment. The Company recognizes unearned income as financing revenue using the interest method over the lease term.

Revenue from sale of third-party software products is recognized in accordance with SOP 97-2, Software Revenue Recognition. In multiple element software arrangements, revenue is allocated to each element based on fair value. The fair value of elements within the scope of SOP 97-2 is determined using Vendor-Specific Objective Evidence (VSOE). In the absence of VSOE for all elements, the residual method is used where VSOE exists for all the undelivered elements. Where VSOE of the undelivered element cannot be determined, revenue for the delivered elements is deferred until the undelivered elements are delivered. If sufficient VSOE does not exist to allocate revenue to the elements and Post-Contract Customer Support (PCS) is the only undelivered element, the entire arrangement fee is recognized ratably over the PCS term. Since there is no reasonable basis of separating the license revenue from PCS, the entire revenue is classified as product revenues.

Multiple Element. For all revenue arrangements with multiple deliverables, based on the guidance in EITF Issue No. 00-21 the Company recognizes revenues on the delivered products or services only if:

- The revenue recognition criteria applicable to the unit of accounting is met;
- The delivered element has value to the customer on a standalone basis. The delivered unit will have value on a standalone basis if it is being sold separately by other vendors or the customer could resell the deliverable on a standalone basis;
- There is objective and reliable evidence of the fair value of the undelivered item(s); and
- If the arrangement includes a general right of return relative to the delivered item, delivery or performance of the undelivered item(s) is considered probable and substantially in control of the Company.

The arrangement consideration is allocated to the units of accounting based on their fair values. The revenue recognized for the delivered items is limited to the amount that is not contingent upon the delivery or performance of the undelivered items.

In certain cases, the application of the contingent revenue provisions of EITF Issue No. 00-21 could result in recognizing a loss on the delivered element. In such cases, the cost recognized is limited to the amount of non-contingent revenues recognized and the balance costs are recorded as an asset and are reviewed for impairment based on the estimated net cash flows to be received for future deliverables under the contract. These costs are subsequently recognized on recognition of the revenue allocable to the remaining deliverables.

Others. Revenues are shown net of excise duty, sales tax, value added tax, service tax and applicable discounts and allowances.

Recurring operating costs are expensed as incurred. Certain upfront non-recurring costs incurred in the initial phases of outsourcing contracts and contract acquisition costs, are deferred and amortized usually on a straight line basis over the term of the contract. The Company periodically estimates the undiscounted cash flows from the arrangement and compares it with the unamortized costs. If the unamortized costs exceed the undiscounted cash flow, a loss is recognized. Costs that are incurred for a specific anticipated software development services contract and that will result in no future benefits unless the contract is obtained are not included in contract costs. However, such costs are deferred if the cost can be directly associated with a specific anticipated contract and the recoverability from that contract is deemed to be probable.

When the Company receives advance payments from customers for sale of products or provision of services, such payments are reported as advances from customers until all conditions for revenue recognition are met.

The Company accounts for volume discounts and pricing incentives to customers using the guidance in EITF Issue 01-09, Accounting for Consideration Given by a Vendor to a Customer (Including a Reseller of the Vendor's Products). The discount terms in the Company's arrangements with customers generally entitle the customer to discounts, if the customer completes a specified level of revenue transactions. In some arrangements, the level of discount varies with increases in the levels of revenue transactions. The Company recognizes discount obligations as a reduction of revenue based on the ratable allocation of the discount to each of the underlying revenue transactions that result in progress by the customer toward earning the discount. The Company recognizes the liability based on its estimate of the customer's future purchases. If the Company cannot reasonably estimate the customer's future purchases, then the liability is recorded based on the maximum potential level of discount. The Company recognizes changes in the estimated amount of obligations for discounts using a cumulative catch-up adjustment.

Warranty costs. 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.

Shipping and handling costs. Shipping and handling costs are included in selling and marketing expenses.

Inventories. Inventories are stated at the lower of cost and market value. Cost is determined using the weighted-average method for all categories of inventories.

Investment securities. The Company classifies its debt and equity securities in one of the three categories: trading, held-to-maturity or available-for-sale, at the time of purchase and re-evaluates such classifications as of each balance sheet date. Trading and available-for-sale securities are recorded at fair value. Held-to-maturity securities are recorded at amortized cost, adjusted for the amortization or accretion of premiums or discounts. Unrealized holding gains and losses on trading securities are included in income. Temporary unrealized holding gains and losses, net of the related tax effect, on available-for-sale securities are excluded from income and are reported as a part of other comprehensive income/(loss) in stockholders' equity until realized. Realized gains and losses from the sale of trading and available-for-sale securities are determined on a first-in-first out basis and are included in income. A decline in the fair value of any available-for-sale or held-to-maturity security below cost that is deemed to be other than temporary results in a reduction in carrying amount to fair value with a charge to the income statement. Fair value for mutual fund units is based on published per unit value, which is the basis for current transactions. Non-readily marketable equity securities for which there is no readily determinable fair value are recorded at cost, subject to an impairment charge to the income statement for any other than temporary decline in value.

Investments in affiliates. The Company's equity in the earnings/(losses) of affiliates is included in the statement of income and the Company's share of net assets of affiliates is included in the balance sheet, subject to an impairment charge to the income statement for any other than temporary decline in value.

Shares issued by subsidiary/affiliate. The issuance of stock by a subsidiary/affiliate to third parties reduces the proportionate ownership interest in the investee. Unless the issuance of such stock is part of a broader corporate reorganization or unless realization is not assured, the Company recognizes a gain or loss, equal to the difference between the issuance price per share and the Company's carrying amount per share. Such gain or loss is recognized in the statement of income when the transaction occurs.

Property, plant and equipment. Property, plant and equipment are stated at cost. The Company depreciates property, plant and equipment over the estimated useful life using the straight-line method. Assets under capital lease and leasehold improvements are amortized over the shorter of estimated useful life or the related lease term. The estimated useful lives of assets are as follows:

Buildings	30 to 60 years
Plant and machinery	2 to 21 years
Computer equipment	2 to 6 years
Furniture, fixtures and equipment	3 to 10 years
Vehicles	4 years
Computer software for internal use	2 to 6 years

Software for internal use is primarily acquired from third-party vendors and is in ready to use condition. Costs for acquiring this software are capitalized and subsequent costs are charged to the statement of income. The capitalized costs are amortized on a straight-line basis over the estimated useful life of the software.

Deposits paid towards the acquisition of property, plant and equipment outstanding as of each balance sheet date and the cost of property, plant and equipment not ready for use before such date are disclosed under capital work-in-progress. The interest cost incurred for funding an asset during its construction period is capitalized based on the average accumulated expenditure and the average cost of funds. The capitalized interest is included in the cost of the relevant asset and is depreciated over the estimated useful life of the asset.

Business combinations, goodwill and intangible assets. In accordance with SFAS No. 141, Business Combinations, the Company uses the purchase method of accounting for all business combinations consummated after June 30, 2001. Intangible assets acquired in a business combination are recognized and reported apart from goodwill if they meet the criteria specified in SFAS No. 141. Any purchase price allocated to an assembled workforce is not accounted separately.

In accordance with SFAS No. 142, Goodwill and Other Intangible Assets, all assets and liabilities of the acquired business including goodwill are assigned to the reporting units. The Company does not amortize goodwill but instead tests goodwill for impairment at least annually, using the two step impairment process.

The fair value of the reporting unit is first compared to its carrying value. The fair value of reporting units is determined using the income approach. If the fair value of the reporting unit exceeds the carrying value of the net assets assigned to that unit, goodwill is not impaired. If the carrying value of the net assets assigned to the reporting unit exceeds the fair value of the reporting unit, then the implied fair value of the reporting unit's goodwill is compared with the carrying value of the reporting unit's goodwill. The implied fair value of goodwill is determined in the same manner as the amount of goodwill recognized in a business combination. If the carrying value of a reporting unit's goodwill exceeds its implied fair value, then an impairment loss equal to the difference is recorded.

The Company amortizes intangible assets over their estimated useful lives unless such lives are determined to be indefinite. Amortizable intangible assets are amortized over their estimated useful lives in proportion to the economic benefits consumed in each period. Intangible assets with indefinite lives are tested at least annually for impairment and written down to the fair value as required. The estimated useful lives of the amortizable intangible assets are as follows:

Customer-related intangibles	2 to 5 years
Marketing-related intangibles	2 to 30 years
Technology-based intangibles	5 years

Start-up costs. Cost of start-up activities including organization costs are expensed as incurred.

Research and development. Revenue expenditure on research and development is expensed as incurred. Capital expenditure incurred on equipment and facilities that are acquired or constructed for research and development activities and having alternative future uses, is capitalized as tangible assets when acquired or constructed. Software product development costs are expensed as incurred until technological feasibility is achieved.

Impairment or disposal of long-lived assets. Long-lived assets and assets group, including certain identifiable intangible assets, to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Such assets are considered to be impaired if the carrying amount of the assets is higher than the future undiscounted net cash flows expected to be generated from the assets. The impairment amount to be recognized is measured by the amount by which the carrying value of the assets exceeds its fair value.

The Company measures long-lived assets held-for-sale, at the lower of carrying amount or fair value, less costs to sell.

Earnings per share. In accordance with SFAS No. 128, Earnings Per Share, basic earnings per share is computed using the weighted-average number of common shares outstanding during the period. Diluted earnings per share is computed using the weighted-average number of common and dilutive common equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be anti-dilutive.

Dividends. Final dividend on the common stock is recorded as a liability on the date of declaration by the stockholders. Interim dividends are recorded as a liability on the date of declaration by the board of directors.

Income taxes. Income taxes are accounted for using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss carry-forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The deferred tax asset is reduced by a valuation allowance if it is more likely than not that some portion or all of the asset will not be realized. Excess income tax benefit on exercise of employee stock options is credited to additional paid-in capital. The Company recognizes penalties and interest related to unrecognized tax benefits as a component of Other income, net.

The Company adopted FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes - an Interpretation of FASB Statement No. 109 (FIN 48) on April 1, 2007. FIN 48 clarifies the accounting and reporting for uncertainties in income tax law. This Interpretation prescribes a comprehensive model for the financial statement recognition, measurement, presentation and disclosure of uncertain tax positions considered or to be considered in income tax returns. Refer note 21 for additional information relating to impact of adoption of FIN 48.

Stock-based compensation. Effective April 1, 2006, the Company adopted SFAS No. 123 (revised 2004), Share-Based Payment, (SFAS No. 123 (R)), which requires the measurement and recognition of compensation expense for all stock-based payment awards based on the grant-date fair value of those awards The Company adopted SFAS No. 123(R) using the modified prospective application method. Under this approach, the

Company has recognized compensation expense for share-based payment awards granted prior to, but not yet vested as of April 1, 2006, based on the grant date fair value estimated in accordance with the provisions of SFAS No. 123.

Under APB Opinion No. 25, the Company had a policy of recognizing the effect of forfeitures only as they occurred. Accordingly, as required by SFAS No. 123 (R), on April 1, 2006, the Company estimated the number of outstanding instruments, which are not expected to vest and recognized a gain of Rs. 39 representing the reversal of compensation cost for such instruments previously recognized in statement of income as cumulative effect of changes in accounting principle. For awards with a graded-vesting schedule, if vesting is based only on a service condition, the Company recognizes the compensation cost on a straight-line basis over the requisite service period of the entire award.

The Company has granted 7,050,766, 746,686 and 8,366,676 options under Restricted Stock Unit Plans, at a nominal exercise price of Rs. 2 per share, during the years ended March 31, 2007, 2008 and 2009. Since these options have been granted at a nominal exercise price, the value on the date of grant approximates the fair value of the underlying stock.

Derivatives and hedge accounting. The Company purchases forward foreign exchange contracts/option contracts (derivatives) to mitigate the risk of changes in foreign exchange rates on forecasted cash flows denominated in certain foreign currencies. The strategy also includes purchase of series of short-term forward foreign exchange contracts which are replaced with successive new contracts up to the period in which the forecasted transactions are expected to occur (roll-over hedging). The Company also designates zero-cost collars, which qualify as net purchased options, to hedge the exposure to variability in expected future foreign currency cash inflows.

In accordance with SFAS No. 133, Accounting for Derivative Instruments and Hedging Activities, as amended, the Company recognizes all derivatives as assets or liabilities measured at their fair value, regardless of the purpose or intent of holding them. In respect of derivatives designated and effective as cash flow hedges, gains or losses resulting from changes in the fair value are deferred and recorded as a component of accumulated other comprehensive income within stockholder's equity until the hedged transaction occurs and are then recognized in the consolidated statements of income along with the hedged item. The Company assesses hedge effectiveness based on overall change in fair value of derivative instrument. However, for derivatives acquired pursuant to roll-over hedging strategy, the forward premium/discount points are excluded from assessing hedge effectiveness.

Changes in fair value for derivatives not designated as hedging derivatives and ineffective portion of the hedging instruments are recognized in consolidated statements of income of each period and are reported within foreign exchange gains/(losses), net under operating expenses.

In respect of derivatives designated as hedges, the Company formally documents all relationships between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Company also formally assesses both at the inception of the hedge and on an ongoing basis, whether each derivative is highly effective in offsetting changes in fair values or cash flows of the hedged item. If it is determined that a derivative is not highly effective as a hedge, or if a derivative ceases to be a highly effective hedge, the Company, prospectively, discontinues hedge accounting with respect to that derivative.

The Company also designates foreign currency forward contracts and net purchased options as hedges of net investments in foreign operations. The effective portion of the hedge is recognized in translation adjustments in other comprehensive income and transferred to consolidated statement of income upon sale or disposal of the foreign operation.

Reclassifications. Certain amounts in the prior years' consolidated financial statements and notes have been reclassified to conform to the current year's presentation.

Recent accounting pronouncements

SFAS No. 141R. In December 2007, the FASB issued SFAS No. 141 (revised 2007), "*Business Combinations*" (SFAS No. 141R), which is a revision of SFAS No. 141, "*Business Combinations*". This statement establishes principles and requirements for how an acquirer: recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree; recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase; and determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. The Company will be required to apply this new standard prospectively to business combinations for which the acquisition date is on or after the beginning of the annual reporting period beginning on or after December 15, 2008. Early adoption is prohibited. The company will adopt this statement effective April 1, 2009 and its effects on future periods will depend on the nature and significance of business combinations subject to SFAS No. 141R.

On April 1, 2009, the Financial Accounting Standards Board (FASB) issued FASB Staff Position No. FAS 141(R)-1, "*Accounting for Assets Acquired and Liabilities Assumed in a Business Combination That Arise from Contingencies*" (the FSP), to amend and clarify the initial recognition and measurement, subsequent measurement and accounting, and related disclosures arising from contingencies in a business combination under SFAS No. 141R. The effects of this FSP on future periods will depend on the nature and specific facts of business combinations subject to SFAS No. 141R.

SFAS No. 160. In December 2007, the FASB issued SFAS No. 160, "*Non-controlling Interests in Consolidated Financial Statements*" (SFAS No. 160 - an amendment of ARB No. 51). SFAS No. 160 establishes accounting and reporting standards for ownership interests in subsidiaries held by parties other than the parent, the amount of consolidated net income attributable to the parent and to the non-controlling interest, changes in a parent's ownership interest and the valuation of retained non-controlling equity investments when a subsidiary is deconsolidated. SFAS No. 160 also establishes disclosure requirements that clearly identify and distinguish between the interests of the parent and the interests of the non-controlling owners. The Company will be required to adopt this new standard for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. The company does not expect the adoption of this statement to have a material effect on the Consolidated Financial Statements.

SFAS No. 161. In March 2008, the FASB issued SFAS No. 161, *"Disclosures about Derivative Instruments and Hedging Activities – An Amendment of FASB Statement No. 133"* (SFAS No. 161). SFAS No. 161 requires enhanced disclosures on derivative and hedging activities by requiring objectives to be disclosed for using derivative instruments in terms of underlying risk and accounting designation. This statement requires disclosures on the need of using derivative instruments, accounting of derivative instruments and related hedged items, if any, under SFAS No. 133 and the effect of such instruments and related hedge items, if any, on the financial position, financial performance and cash flows. The Company will be required to adopt this new statement for fiscal years beginning after November 15, 2008. Pursuant to the transition provisions of the statement, the company will adopt SFAS No. 161 in fiscal year 2009 and will present the required disclosures in the prescribed format on a prospective basis. This statement does not impact the consolidated financial results as it is disclosure-only in nature.

FSP SFAS 142-3 In April 2008, the FASB issued FSP SFAS 142-3, *"Determination of the Useful Life of Intangible Assets"* (FSP 142-3). This guidance is intended to improve the consistency between the useful life of a recognized intangible asset under SFAS No. 142, *"Goodwill and Other Intangible Assets"* (SFAS 142), and the period of expected cash flows used to measure the fair value of the asset under SFAS 141R when the underlying arrangement includes renewal or extension of terms that would require substantial costs or result in a material modification to the asset upon renewal or extension. Companies estimating the useful life of a recognized intangible asset must now consider their historical experience in renewing or extending similar arrangements or, in the absence of historical experience, must consider assumptions that market participants would use about renewal or extension as adjusted for SFAS 142's entity-specific factors. FSP 142-3 is effective for the Company beginning April 1, 2009. The Company would be required to adopt this FSP prospectively for all assets acquired after April 1, 2009 and early adoption is prohibited. Its effects on future periods will depend on the nature and specific facts of assets acquired subject to SFAS No. 142.

FSP 132 (R)-1 In December 2008, the FASB issued FSP SFAS 132(R)-1, *"Employers' Disclosures about Postretirement Benefit Plan Assets"* (FSP 132(R)-1). This guidance amends SFAS No. 132(R), *"Employers' Disclosures about Pensions and Other Postretirement Benefits"*, to require more detailed disclosures about the fair value measurements of employers' plan assets including (a) investment policies and strategies; (b) major categories of plan assets; (c) information about valuation techniques and inputs to those techniques, including the fair value hierarchy classifications (as defined by SFAS No. 157) of the major categories of plan assets; (d) the effects of fair value measurements using significant unobservable inputs (Level 3) on changes in plan assets; and (e) significant concentrations of risk within plan assets. The disclosures required by the FSP is effective for the Company beginning April 1, 2009. This statement does not impact the consolidated financial results as it is disclosure-only in nature.

3. Acquisitions

Fiscal 2009

Citi Technology Services Limited

On January 1, 2009, the Company acquired 100% of the equity of Citi Technology Services Limited (Subsequently renamed as Wipro Technology Services Limited - WTS). WTS is an India based provider of information technology services and solutions to Citi Group worldwide. The consideration (including direct acquisition costs) was comprised of a cash payment of Rs. 6,205. The Company believes that the acquisition will enhance Wipro's capabilities to address Technology Infrastructure Services (TIS) and Application Development and Maintenance Services (ADM) in the financial services industry

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

Description		Fair value
Cash and cash equivalents	Rs.	1,342
Property, plant and equipment		403
Customer-related intangibles		1,948
Goodwill		3,186
Other assets		1,150
Short-term borrowings and long-term debt		(23)
Deferred income taxes, net		(545)
Other liabilities		(1,256)
Total	**Rs.**	**6,205**

The preliminary allocation of the purchase price included in the current period balance sheet is based on the best estimates of management. The completion of the purchase price allocation may result in adjustments to the carrying value of the WTS recorded assets and liabilities, revisions of the useful lives of intangible assets and the determination of any residual amount that will be allocated to goodwill. The related depreciation and amortization from the acquired assets is also subject to revision based on the final allocation.

Others

During the year ended March 31, 2009, the Company paid Rs. 656 towards other acquisitions and Rs. 816 in "earn-out" payments relating to acquisitions consummated in prior years.

Fiscal 2008 and 2007

A summary of the acquisitions completed in the fiscal 2008 and 2007 is given below

Name of entity and effective date of acquisition	Nature of business	Management's assessment of business rationale
Unza Holdings Limited and subsidiaries ('Unza') (August 2007)	Manufacturer and marketer of personal care products	Strengthen the Company's brand portfolio and market presence in South East Asia and provide synergy in terms of access to common vendors, formulation and brands
Infocrossing Inc. and subsidiaries ('Infocrossing') (September 2007)	IT infrastructure management, enterprise application and business process outsourcing services provider	Broadens the Company's data center and mainframe capabilities and strengthens its competitive positioning in offering infrastructure management services
India, Middle East and SAARC operations of 3D Networks and Planet PSG ('3D Group') (November 2006)	Business communication solutions include consulting, voice, data and converged solutions, and managed services	Complements the Company's existing practice capabilities and differentiates the Company as a comprehensive IT Solutions provider across segments.
Hydrauto Group AB ('Hydrauto Group') (November 2006)	Production, marketing and development of customized hydraulic cylinders solution	Provides an entry into European markets, access to customer base and complementary engineering skills.
Quantech Global Services LLC and Quantech Global Services Ltd ('Quantech') (July 2006)	Computer Aided Design and Engineering services	Strengthens Company's presence in the mechanical engineering design and analysis services sector.
RetailBox BV and subsidiaries ('Enabler Group') (June 2006)	Software development services, implementation and support of IS systems for retail industry.	Expansion of the Company's range of IT solution services (including Oracle retail implementation, digital supply chain, business optimization and integration.) and expand domain expertise.
Saraware Oy ('Saraware') (June 2006)	Providing design and engineering services to telecom industry.	Expansion of presence in the engineering services space in Finland and the Nordic region.
Business of North-West Switchgear Limited ('North –West') (May 2006)	Manufacturer and distributor of switches, sockets and miniature circuit breakers	Expansion of the presence in electrical product segment
cMango Inc and subsidiaries ('cMango Group') (April 2006)	Business management service solutions	Expansion of operations in the Business Management Services sector and access to customers in the Business Management services sector.

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

Name of entity	Purchase consideration including earn-outs	Net assets	Deferred tax liabilities	Intangible assets	Goodwill
Unza	Rs. 10,254	Rs. (514)	Rs. (812)	Rs. 4,720	Rs. 6,860
Infocrossing	17,640	(5,684)	(2,395)	7,618	18,101
3D Group	1,276	508	(46)	72	742
Hydrauto Group	1,412	498	(123)	136	901
Quantech	281	(230)	(16)	46	481
Enabler Group	2,968	389	(104)	284	2,399
Saraware	1,326	187	(89)	338	890
North-West	1,132	34	-	1,098	-
cMango Group	884	(23)	(46)	78	875
Total	**Rs. 37,173**	**Rs.(4,835)**	**Rs. (3,631)**	**Rs.14,390**	**Rs. 31,249**

During the year ended March 31, 2009, the Company completed the purchase price allocation in respect of the acquisitions of Infocrossing and Unza. The following table presents the final allocation of purchase price for Infocrossing and Unza:

Description	Infocrossing	Unza
Cash and cash equivalents	Rs. 775	Rs. 619
Property, plant and equipment	2,038	1,310
Customer-related intangibles	7,618	1,318
Marketing-related intangibles	-	3,402
Goodwill	18,101	6,860
Other assets	1,987	2,275
Short-term borrowings and long-term debt	(5,326)	(2,747)
Deferred income taxes, net	(2,395)	(812)
Other liabilities	(5,158)	(1,971)
Total	**Rs. 17,640**	**Rs. 10,254**

The purchase price allocation to the identifiable intangible assets included in these financial statements is as follows:

	Infocrossing	Unza
Intangible assets with determinable lives		
Marketing-related intangibles	Rs. -	Rs. 1,250
Customer-related intangibles	7,618	1,318
Total	**Rs. 7,618**	**Rs. 2,568**
Intangible assets with indefinite lives		
Marketing-related intangibles	Rs. -	Rs. 2,152
Total	**Rs. -**	**Rs. 2,152**
Total intangible assets	**Rs. 7,618**	**Rs. 4,720**

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

4. Cash and Cash Equivalents

Cash and cash equivalents as of March 31, 2008 and 2009 are comprised of cash and cash on deposit with banks.

5. Accounts Receivable

Accounts receivable are stated net of allowance for doubtful accounts. The Company maintains an allowance for doubtful accounts based on financial condition of its customers and aging of the accounts receivable. Accounts receivable are generally not collateralized. The activity in the allowance for doubtful accounts receivable is given below:

	Year ended March 31,		
	2007	2008	2009
Balance at the beginning of the year	Rs. 1,258	Rs. 1,388	**Rs. 1,096**
Additional provision during the year, net of collections	280	289	**939**
Uncollectable receivables charged against allowance	(150)	(581)	**(116)**
Balance at the end of the year	Rs. 1,388	Rs. 1,096	**Rs. 1,919**

The increase in provision during the year is primarily attributable to additional reserves recorded by the Company, pursuant to filing of credit protection arrangement by one of the customer in Canada, the United States and Europe.

6. Inventories

Inventories consist of the following:

	As of March 31,	
	2008	2009
Stores and spare parts	Rs. 455	**Rs. 691**
Raw materials and components	2,950	**2,668**
Work-in-process	1,078	**694**
Finished goods	2,689	**4,633**
	Rs. 7,172	**Rs. 8,686**

7. Other Assets

Other assets consist of the following:

	As of March 31,	
	2008	2009
Prepaid expenses	Rs. 2,800	**Rs. 3,509**
Prepaid rentals for leasehold land	645	**1,293**
Due from officers and employees	1,503	**1,359**
Advances to suppliers	1,373	**753**
Balances with statutory authorities	548	**854**
Deposits	1,889	**2,274**
Interest-bearing deposits with corporate(1)	500	**4,250**
Advance income taxes	6,990	**9,933**
Deferred contract costs	2,864	**2,524**
Derivative asset	1,002	**1,165**
Others	2,192	**5,807**
	22,306	**33,721**
Less: Current assets	(19,092)	**(27,040)**
	Rs. 3,214	**Rs. 6,681**

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

Sales-type leases

Others include receivables on account of sales-type leases and are generally due in monthly, quarterly or semiannual installments over periods ranging from 3 to 5 years

Details of sales-type leases are given below:

	As of March 31,	
	2008	2009
Gross finance receivables	Rs. 323	**Rs. 4,017**
Unguaranteed residual value	84	**172**
Unearned income	(79)	**(765)**
Net investment in finance receivables	Rs. 328	**Rs. 3,424**

As of March 31, 2009, minimum lease receivable for each of the five succeeding fiscal years are as follows:

Year ending March 31,	**Amount**
2010	Rs. 1,024
2011	840
2012	1,022
2013	881
2014	250
Total	**Rs. 4,017**

8. Investments Securities

Investments securities consist of the following:

	As of March 31, 2008				As of March 31, 2009			
	Carrying Value	Gross Unrealized Gains	Gross Unrealized Loss	Fair Value	Carrying Value	Gross Unrealized Gains	Gross Unrealized Loss	Fair Value
Available-for-sale:								
Investment in liquid and short-term mutual funds	Rs. 14,317	Rs. 491	Rs. -	Rs. 14,808	**Rs.15,133**	**Rs. 300**	**Rs. (221)**	**Rs.15,212**
Certificate of deposits	-	-	-	-	**947**	**21**	**-**	**968**
Total	Rs. 14,317	Rs. 491	Rs. -	Rs. 14,808	**Rs.16,080**	**Rs. 321**	**Rs. (221)**	**Rs.16,180**

Dividends from available-for-sale securities during the years ended March 31, 2007, 2008 and 2009 were Rs. 1,686, Rs. 1,428 and Rs. 2,265 respectively and are included in other income.

9. Property, Plant and Equipment

Property, plant and equipment consist of the following:

	As of March 31,	
	2008	2009
Land	Rs. 2,127	**Rs. 2,775**
Buildings	9,679	**15,275**
Plant and machinery	13,327	**21,522**
Furniture, fixtures and equipment	6,853	**7,785**
Computer equipment	10,518	**12,621**
Vehicles	2,417	**2,715**
Computer software for internal use	2,916	**3,773**
Capital work-in-progress	13,544	**13,052**
	61,381	**79,518**
Accumulated depreciation and amortization	(21,559)	**(29,656)**
	Rs. 39,822	**Rs. 49,862**

Depreciation expense for the years ended March 31, 2007, 2008 and 2009 is Rs. 3,931, Rs. 5,343 and Rs. 6,821 respectively. This includes Rs. 400, Rs. 752 and Rs. 913 as depreciation of capitalized internal use software, during the years ended March 31, 2007, 2008 and 2009, respectively.

Property, plant and equipment include assets acquired under capital leases which consist of the following:

	As of March 31,	
	2008	2009
Plant and machinery	Rs. 201	**Rs. 307**
Software	-	**32**
Furniture, fixtures and equipment	-	**2**
Computer equipment	2,045	**2,492**
	2,246	**2,833**
Accumulated depreciation and amortization	(1,145)	**(1,769)**
	Rs. 1,101	**Rs. 1,064**

Depreciation expense in respect of these assets was Rs. 5, Rs. 170 and Rs. 307 for the years ended March 31, 2007, 2008 and 2009 respectively.

The following is a schedule of future minimum lease payments under capital leases, together with the present value of the net minimum lease payments as of March 31, 2009.

Year ending March 31,	Amount
2010	Rs. 547
2011	404
2012	277
2013	228
2014	135
Thereafter	70
Total minimum lease payments	1,661
Less: Amount representing interest	(243)
Present value of net minimum lease payments	Rs. 1,418
Less: Current portion of obligation under capital leases	(504)
Obligations under capital leases, excluding current portion	Rs. 914

10. Goodwill and Other Intangible Assets

The Company's intangible assets acquired either individually or in a business combination consists of the following:

	As of March 31,					
	2008			2009		
	Gross carrying amount	Accumulated Amortization	Net	Gross carrying amount	Accumulated Amortization	Net
Technology-based intangibles.	Rs. 130	Rs. 103	Rs. 27	**Rs. 130**	**Rs. 127**	**Rs. 3**
Customer-related intangibles…	4,585	1,518	3,067	**13,175**	**2,758**	**10,417**
Marketing-related intangibles*.	9,172	190	8,982	**4,882**	**461**	**4,421**
Effect of translation adjustment	464	60	404	**3,371**	**608**	**2,763**
	Rs. 14,351	Rs. 1,871	Rs. 12,480	**Rs. 21,558**	**Rs. 3,954**	**Rs. 17,604**

* Gross carrying amount for marketing-related intangibles include indefinite life intangible asset of Rs. 4,873 and 2,152 as of March 31, 2008 and 2009 respectively.

During the year ended March 31, 2009, the Company completed the purchase price allocation of Infocrossing and Unza. Please refer to the discussion on finalization of purchase price allocation in Note 3 of the Notes to Consolidated Financial Statements.

The estimated amortization expense for intangible assets for the five succeeding years is set out below:

Year ending March 31,	**Amount**
2010	Rs. 1,524
2011	1,390
2012	1,267
2013	1,242
2014	1,229
Total	**Rs. 6,652**

The movement in goodwill balance is given below:

	Year ended March 31,	
	2008	2009
Balance at the beginning of the year	Rs. 12,706	**Rs. 38,943**
Goodwill relating to acquisitions including earn-out payments (Note 3, 13)	26,270	**4,831**
Adjustment relating to finalization of purchase price allocation	(215)	**(635)**
Tax benefit allocated to goodwill	(51)	**-**
Effect of translation adjustments	233	**6,363**
Balance at the end of the year	Rs. 38,943	**Rs. 49,502**

Goodwill as of March 31, 2008 and 2009 has been allocated to the following segments:

Segment	**As of March 31,**	
	2008	2009
IT Services	Rs. 32,672	**Rs. 39,724**
IT Products	278	**581**
Consumer Care and Lighting	4,641	**7,933**
Others	1,352	**1,264**
Total	Rs. 38,943	**Rs. 49,502**

11. Other Liabilities

Other liabilities consist of the following:

	As of March 31,	
	2008	2009
Income taxes payable	Rs. 3,617	**Rs. 5,852**
Statutory dues and other taxes payable	5,663	**8,370**
Warranty obligations	924	**969**
Derivative liability	2,571	**12,024**
Liability for retirement benefits	479	**652**
Others	2,276	**1,886**
	15,530	**29,753**
Less: Current liabilities	12,519	**26,121**
	Rs. 3,011	**Rs. 3,632**

The activity in warranty obligations is given below:

	Year ended March 31,		
	2007	2008	2009
Balance at the beginning of the year	Rs. 665	Rs. 742	**Rs. 924**
Additional provision during the year	827	1,016	**683**
Reduction due to payments	(750)	(834)	**(638)**
Balance at the end of the year	Rs. 742	Rs. 924	**Rs. 969**

12. Operating Leases

The Company leases office and residential facilities under cancelable and non-cancelable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. Rental payments under such leases were Rs. 1,412, Rs. 1,880 and Rs. 2,526 for the years ended March 31, 2007, 2008 and 2009, respectively.

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

Year ending March 31,		Amount
2010	Rs.	1,064
2011		1,018
2012		1,002
2013		820
2014		830
Thereafter		3,168
Total	Rs.	7,902

Prepaid rentals for leasehold land included under Other assets, represent leases obtained for a period ranging from 60 to 90 years. The prepaid expense is being charged over the lease term to the statement of income.

13. Investments in Affiliates

Wipro GE Medical Systems (Wipro GE)

The Company has accounted for its 49% interest in Wipro GE by the equity method. The carrying value of the investment in Wipro GE as of March 31, 2008 and 2009 was Rs. 1,343 and Rs. 1,670 respectively. The Company's equity in the income of Wipro GE for year ended March 31, 2007, 2008 and 2009 was Rs. 302, Rs. 257 and Rs. 362 respectively.

Wipro GE received tax demands for the financial years ended March 31, 2001, 2002, 2003 and 2004 aggregating to Rs 976, including interest. The tax demands were primarily on account of transfer pricing adjustments and denial of export benefits and tax holiday benefits claimed by Wipro GE under the Indian Income Tax Act, 1961 (the Act). Wipro GE appealed against the said demands before the first appellate authority. The first appellate authority vacated the tax demands for the years ended March 31, 2001, 2002, 2003 and 2004. The income tax authorities have filed an appeal for the years ended March 31, 2001, 2002, 2003 and 2004. In December 2008, Wipro GE received, on similar grounds, an additional tax demand of Rs. 552 (including interest) for the financial year ended March 31, 2005. Wipro GE has filed an appeal against the said demand within the time limits permitted under the statute.

Considering the facts and nature of disallowance and the order of the appellate authority upholding the claims of Wipro GE, Wipro GE believes that the final outcome of the disputes should be in favour of Wipro GE and the contingency will not have any material adverse effect on its financial position and results of operations. The range of loss due to this contingency is between zero and the amount to which the demand is raised.

14. Financial Instruments and Concentration of Risk

Concentration of risk. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents, investments in liquid and short-term mutual funds, other investments securities, derivative financial instruments, accounts receivable and corporate deposits. The Company's funds are invested with financial institutions and commercial corporations with high investment grade credit ratings. Limits have been established by the Company as to the maximum amount of cash that may be invested with any such single entity. To reduce its credit risk, the Company performs ongoing credit evaluations of customers. No single customer accounted for 5% or more of the accounts receivable as of March 31, 2008 and 2009 and revenues for the years ended March 31, 2007, 2008 and 2009.

Derivative financial instruments. The Company is exposed to foreign currency fluctuations on foreign currency assets / liabilities, forecasted revenues denominated in foreign currency and net investments in foreign operations. The Company follows established risk management policies, including the use of derivatives to hedge foreign currency assets / liabilities, foreign currency forecasted revenues and net investments in foreign operations. In these derivative instruments a bank is generally the counter party and the Company considers the risks of non-performance by such counterparty as non-material. The Company enters into master agreements with the counter parties. These master agreements contain netting-off provisions, which partially mitigate the credit exposure to counter-parties. The company closely monitors the credit worthiness of counterparties. A majority of the forward foreign exchange/option contracts mature between one to twelve months and the forecasted transactions are expected to occur during the same period. The balance portions of these forward foreign exchange / option contracts mature between twelve to sixty months.

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

	As of March 31,	
	2008	2009
Forward contracts		
Sell	$ 2,775	$ 1,374
	€ 105	€ 79
	£ 61	£ 53
Buy	$ 435	$ 438
	¥ 7,580	¥ 23,170
Net purchased options (to sell)	$ 641	$ 562
	€ 24	€ -
	£ 84	£ 54
	¥ 7,682	¥ 6,130
Cross-currency interest rate swap	¥ -	¥ 35,016

In connection with cash flow hedges, the Company has recorded Rs. 72, Rs. (1,097) and Rs. (16,859) of net gains/(losses) as a component of accumulated other comprehensive income within stockholders' equity as at March 31, 2007, 2008 and 2009, respectively. Out of net losses in connection with cash flow hedges accumulated in other comprehensive income within shareholders equity Rs. 6,102 will be reclassified into earnings over the period of next 12 months. The Company has also recognized a mark to market loss of Rs. Nil, Rs. 495 and Rs. 4,410 for the period ended March 31, 2007, 2008 and 2009 respectively, relating to changes in fair value of derivative financial instruments, designated as hedges of net investment in non-integral foreign operations, in translation adjustments in other comprehensive income.

The following table summarizes activity in the accumulated other comprehensive income/(loss) within stockholders' equity related to all derivatives classified as cash flow hedges during the years ended March 31, 2007, 2008 and 2009.

	As of March 31,		
	2007	2008	2009
Balance as at the beginning of the year	Rs. 202	Rs. 72	Rs. (1,097)
Net (gain)/loss reclassified into net income on occurrence of hedged transactions	(202)	(72)	1,019
Deferred cancellation losses relating to roll-over hedging	-	-	(11,357)
Changes in fair value of effective portion of outstanding derivatives	72	(1,097)	(5,424)
Unrealized gain/ (loss) on cash flow hedging derivatives, net	(130)	(1,169)	(15,762)
Balance as at the end of the year	Rs. 72	Rs. (1,097)	Rs. (16,859)

As of March 31, 2008 and 2009 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.

15. Accumulated Other Comprehensive Income

The accumulated other comprehensive income also includes the translation reserve. The opening and closing balance in translation reserve is given below:

	Year ended March 31,		
	2007	2008	2009
Balance at the beginning of the period	Rs. (89)	Rs. (220)	Rs. (110)
Translation adjustments	(131)	605	9,181
Movement in effective portion of hedges of net investment in foreign operations	-	(495)	(4,410)
Balance at the end of the period	Rs. (220)	Rs.(110)	Rs. 4,661

16. Debt

Short-term borrowings from banks primarily consist of lines of credit of approximately Rs. 9,387, US$ 513, JPY 22,026, SEK 87, SAR 90 and RM (Malaysian Ringgit) 284 from bankers primarily for working capital requirements. Out of these, as of March 31, 2009, the Company has unutilized lines of credit aggregating Rs. 5,238, US$ 171, SEK 7, SAR 15 and RM 167 respectively. To utilize these unused lines of credit, we require consent of the lender and compliance with the certain financial covenants. Additionally, the Company has lines of credit in various other currencies equivalent to Rs. 2,468, of which Rs. 2,265 is unutilized as of March 31, 2009. Significant portion of the aforementioned lines of credit are revolving credit facilities and floating rate foreign currency loans, renewable quarterly. These facilities bear floating rate of interest, referenced to LIBOR and a spread, determined based on market condition.

The Company has non-fund based revolving credit facilities in various currencies equivalent to Rs. 10,663 for operational requirements that can be used for the issuance of letters of credit and bank guarantees. As of March 31, 2009, an amount of Rs. 3,229 was unutilized out of these non-fund based facilities.

A summary of long- term debt is as follows:

Currency	As of March 31, 2008		As of March 31, 2009			
	Foreign currency	Indian Rupee	**Foreign currency**	**Indian Rupee**	**Interest rate**	**Final maturity**
Unsecured external commercial borrowing						
Japanese Yen	35,016	Rs. 14,070	**35,016**	**Rs. 18,052**	**3.56%**	**2013**
Unsecured term loan						
Indian Rupee	NA	245	**NA**	**631**	**6.05%**	**2014**
Euro	3	186	**0.05**	**3**	**3.70%**	**2010**
Secured term loan						
Swedish Krona	63	427	**37**	**230**	**2.25%**	**2013**
		14,928		**18,916**		
Less: Current portion		406		**235**		
Long term debt, less current portion		Rs. 14,522		**Rs. 18,681**		

The company has entered into cross-currency interest rate swap (CCIRS) in connection with the unsecured external commercial borrowing. Please refer to the discussion on CCIRS in Note 19 of the Notes to Consolidated Financial Statements.

Principal payments required on long-term debt in each of the next five fiscal years ending March 31 are as follows

Year ending March 31,		**Amount**
2010	Rs.	235
2011		227
2012		184
2013		18,210
2014		60
Total	**Rs.**	**18,916**

The unsecured external commercial borrowing contains certain covenants that limit future borrowings and payments towards acquisitions in a financial year. The terms of the other secured and unsecured debt and borrowings also contain certain restrictive covenants primarily requiring the Company to maintain certain financial ratios. As of March 31, 2009, the Company has met the relevant covenants.

A portion of the above short-term borrowings and long-term debt aggregating to Rs. 876 are secured by inventories, accounts receivable and certain property, plant and equipment.

Interest expense was Rs. 125, Rs. 1,440 and Rs. 2,691 for the year ended March 31, 2007, 2008 and 2009 respectively. Interest capitalized by the Company was Rs. Nil, Rs. 419 and Rs. 359 for the year ended March 31, 2007, 2008 and 2009 respectively.

17. Equity Shares and Dividends

Currently, the Company has only one class of equity shares. For all matters submitted to vote in the shareholders meeting, every holder of equity shares, as reflected in the records of the Company on the date of the shareholders meeting shall have one vote in respect of each share held.

The authorized capital of the company is 1,650,000,000 equity shares of Rs. 2 each at par value as of March 31, 2009. During the year ended March 31, 2009, the company issued 968,803 shares to its wholly owned trust (Wipro Inc Benefit Trust) pursuant to a common control transaction.

During the year ended March 31, 2009, the Company completed the merger of a few of its subsidiaries with Wipro Limited, the parent entity. Pursuant to the terms of merger approved by the courts in India. Company issued 968,803 fully paid equity shares of Rs 542 to a controlled trust. This transaction was determined to be a common control transfer, in accordance with the guidance in SFAS No. 141 and EITF 02-5, Definition of 'Common Control' in relation to FASB statement no. 141. Accordingly, no adjustments were made to the carrying value of assets and liabilities.

The Company paid cash dividends of Rs. 16,111, Rs. 5,123 and Rs. 6,829 during the years ended March 31, 2007, 2008 and 2009 respectively. The dividends per share were Rs. 10, Rs. 3 and Rs. 4 during the years ended March 31, 2007, 2008 and 2009, respectively.

18. Retained Earnings

Retained earnings as of March 31, 2008 and 2009, include Rs. 1,294 and Rs. 1,621 respectively, of undistributed earnings in equity of affiliates.

19. Other Income, Net

Other income consists of the following:

	Year ended March 31,		
	2007	2008	2009
Interest income	Rs. 683	Rs. 1,505	**Rs. 1,930**
Interest expense	(261)	(1,064)	**(2,332)**
Dividend income	1,686	1,428	**2,265**
Gain on sale of investment securities	549	771	**681**
Foreign exchange loss, net	(39)	(496)	**(4,535)**
Others	10	23	**175**
	Rs. 2,628	Rs. 2,167	**Rs.(1,816)**

Foreign exchange gain / (losses) relates to exchange gain/ (losses) on debt denominated in foreign currency and derivative financial instruments related to such foreign currency debt.

The Company purchased a CCIRS in conjunction with a Yen-denominated External Commercial Borrowing (ECB) to offset its U.S. Dollar denominated foreign currency exposure arising from its investment in Wipro Inc. (a subsidiary). While the CCIRS along with the Yen-denominated ECB, is an economic hedge of the net investment in the foreign operation, this combination does not qualify as a hedging instrument within SFAS No. 133, Accounting for Derivative Instruments and Hedging Activities and its related guidance. Accordingly, the total mark to market losses on such CCIRS along with exchange loss on Yen-denominated ECB amounting to Rs 3,973 has been accounted for in the income statement within Other income, net above.

20. Shipping and Handling Costs

Selling and marketing expenses for the years ended March 31 2007, 2008 and 2009, include shipping and handling costs of Rs. 807, Rs. 1,039 and Rs. 885 respectively.

21. Income Taxes

Income taxes have been allocated as follows:

	Year ended March 31,		
	2007	2008	2009
Income from continuing operations	Rs. 3,723	Rs. 3,873	**Rs. 5,422**
Stockholders equity for:			
Income tax benefits relating to employee stock incentive plans	(65)	(68)	**(18)**
Gain on sale of long-lived asset to the controlling shareholder	-	52	**-**
Adjustments to initially apply SFAS No. 158	(18)	-	**-**
Unrecognized actuarial (gain)/loss, net	-	(17)	**27**
Unrealized gains / (loss) on investment securities, net	25	(25)	**(131)**
Unrealized gain / (loss) on cash flow hedging derivatives	-	-	**(2,353)**
Tax benefit allocated to goodwill	(14)	(51)	**-**
Total income taxes	Rs. 3,651	Rs. 3,764	**Rs. 2,947**

Income taxes relating to continuing operations consist of the following:

	Year ended March 31,		
	2007	2008	2009
Current taxes			
Domestic	Rs. 1,575	Rs. 2,641	**Rs. 3,683**
Foreign	2,177	1,641	**2,538**
	Rs. 3,752	Rs. 4,282	**Rs. 6,221**
Deferred taxes			
Domestic	(1)	(319)	**(291)**
Foreign	(28)	(90)	**(508)**
	(29)	(409)	**(799)**
Total income tax expense	Rs. 3,723	Rs. 3,873	**Rs. 5,422**

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

	Year ended March 31,		
	2007	2008	**2009**
Income before taxes and minority interest	Rs.32,852	Rs.36,138	**Rs.39,936**
Enacted income tax rate in India	33.66%	33.99%	**33.99%**
Computed expected tax expense	11,058	12,283	**13,574**
Effect of:			
Income exempt from tax	(7,948)	(8,450)	**(10,368)**
Basis differences that will reverse during a tax holiday period	526	(21)	**350**
Income taxed at higher/ (lower) rates	125	(50)	**(229)**
Income taxes relating to prior years	(702)	(530)	**(369)**
Effect of change in tax rates	-	5	**-**
Changes in valuation allowances	7	138	**314**
Expenses disallowed for tax purposes	647	481	**2150**
Others, net	10	17	**-**
Total income tax expense	Rs. 3,723	Rs. 3,873	**Rs 5,422**

A substantial portion of the profits of the Company's India operations are exempt from Indian income taxes being profits attributable to export operations and profits from undertakings situated in Software Technology and Hardware Technology Parks. Under the tax holiday, the taxpayer can utilize an exemption from income taxes for a period of any ten consecutive years. The tax holidays on all facilities under Software Technology and Hardware Technology Parks were scheduled to expire in stages with a mandated maximum expiry period of March 31, 2009. However, on May 10, 2008, the Finance Act, 2008 extended the availability of the ten year tax holiday by a period of one year such that the tax holiday will now be available until the earlier of fiscal year 2010 or ten years after the commencement of a tax holiday for an individual undertaking. Additionally, under the Special Economic Zone Act, 2005 scheme, units in designated special economic zones which being providing services on or after April 1, 2005 will be eligible for a deduction of 100 percent of profits or gains derived from the export of services for the first five years from commencement of provision of services and 50 percent of such profits and gains for a further five years. Certain tax benefits are also available for a further five years subject to the unit meeting defined conditions. Profits from certain other undertakings are also eligible for preferential tax treatment. In addition, dividend income from certain category of investments is exempt from tax.

The aggregate rupee and per share (basic) effects of tax exemptions, are Rs. 7,948 and Rs. 5.57 per share for the year ended March 31, 2007 , Rs. 8,450 and Rs. 5.82 per share for the year ended March 31, 2008 and Rs. 10,368 and Rs. 7.13 per share for the year ended March 31, 2009.

The components of the net deferred tax asset are as follows:

	As of March 31,	
	2008	**2009**
Deferred tax assets		
Allowance for doubtful accounts	Rs. 193	**Rs. 260**
Accrued expenses and liabilities	553	**766**
Carry-forward business losses	2,224	**2,790**
Minimum alternate tax	126	**126**
Loss on hedging derivatives	-	**2,353**
Deferred income	309	**420**
Others	35	**7**
Total gross deferred tax assets	3,440	**6,722**
Less: valuation allowance	(619)	**(932)**
Net deferred tax assets	Rs. 2,821	**Rs. 5,790**
Deferred tax liabilities		
Property, plant and equipment	Rs. 419	**Rs. 533**
Intangible assets	2,760	**4,464**
Amortizable tax goodwill	472	**527**
Unrealized gains on investments securities	175	**42**
Investment in affiliates	246	**320**
Others	57	**119**
Total gross deferred tax liabilities	Rs. 4,129	**Rs. 6,005**
Net deferred tax assets/(liabilities)	Rs.(1,308)	**Rs. (215)**

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences and loss carry-forwards become deductible or utilizable. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are deductible, management believes it is more likely than not that the Company will realize the benefits of these deductible differences and loss carry-forwards, net of the existing valuation allowances at March 31, 2009. The amount of the deferred tax asset considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

Pursuant to the changes in the Indian income tax laws in fiscal 2007, Minimum Alternate Tax (MAT) has been extended to income in respect of which deduction is claimed under section 10A and 10B of the Act; consequently, the Company has calculated its tax liability for current domestic taxes after considering MAT. The excess tax paid under MAT provisions over and above normal tax liability can be carried forward and set-off against future tax liabilities computed under normal tax provisions. The Company was required to pay MAT during fiscal 2008 and, accordingly, a deferred tax asset of Rs. 126 million has been recognized on the balance sheet as of March 31, 2008, which can be carried forward for a period of 7 years.

The tax loss carry-forwards of Rs. 7,735 as of March 31, 2009 relates to certain subsidiaries. Approximately, Rs. 4,765 of these tax loss carry-forwards is not currently subject to expiration dates. The remainder, approximately Rs. 2,970 expires in various years through fiscal 2029.

The income before income taxes, minority interest and cumulative effect of change in accounting principle for each of the fiscal years 2007, 2008 and 2009 is primarily from domestic entities.

The Company indefinitely reinvests all the accumulated undistributed earnings of foreign subsidiaries, and accordingly, has not recorded any deferred taxes in relation to such undistributed earnings of its foreign subsidiaries. It is impracticable to determine the undistributed earnings and the additional taxes payable when these earnings are remitted.

The Company is subject to a 15% branch profit tax in the U.S. to the extent the net profit during the fiscal year attributable to its U.S. branch are greater than the increase in the net assets of the U.S. branch during the fiscal year, computed in accordance with the Internal Revenue Code. As of March 31, 2009, the U.S. branch's net assets amounted to approximately $ 249. The Company has not triggered the branch profit tax and intends to maintain the current level of its net assets in the U.S. as is consistent with its business plan. Accordingly, a provision for branch profit tax has not been recorded as of March 31, 2009.

Effective April 1, 2007, the Company adopted Financial Accounting Standards Board Interpretation 48, Accounting for Uncertainty in Income Taxes - An Interpretation of Statement of Financial Accounting Standards No. 109 (FIN 48). The adoption of FIN 48 did not have any impact on the retained earnings or provision for taxation as of April 1, 2007.

A reconciliation of the beginning and ending balance of unrecognized tax benefits is as follows:

Particulars	**Year ended March 31,**	
	2008	**2009**
Beginning balance	Rs. 3,378	**Rs. 4,431**
Increases related to current year tax positions	1,442	**1,042**
Increases related to prior year tax positions	135	**1,387**
Decreases related to prior year tax positions	(253)	**(541)**
Reductions related to lapsing of statutes of limitation.	(162)	**(144)**
Impact of foreign currency translation	(109)	**199**
Ending balance	Rs. 4,431	**Rs. 6,374**

The unrecognized tax benefits has increased by Rs. 2,429 during the year ended March 31, 2009 primarily due to certain additional tax credit carry forward of Rs. 918 reported in the income tax filings for the year ended March 31, 2008 and on account of additional impact in the current year in relation to uncertain tax positions taken in the current year. The unrecognized tax benefits decreased by Rs. 685 during the year ended March 31, 2009 due to reversal of tax provision upon completion of tax assessment by the tax authorities in a particular tax jurisdiction, expiry of statute of limitation and revision of tax accruals relating to transfer pricing.

The Companies' total unrecognized tax benefits as of March 31, 2008 and March 31, 2009, if recognized, would reduce the tax provisions by Rs. 4,410 and Rs. 6,374, respectively and thereby would effect the Company's effective tax rate.

Although it is difficult to anticipate the final outcome on timing of resolution of any particular uncertain tax position, the Company believes that the total amount of unrecognized tax benefits will be decreased by Rs. 160 during the next 12 months due to expiry of statute of limitation.

The Company's policy is to include any penalties and interest related to unrecognized tax benefits as a component of other income, net. As of March 31, 2008 and as of March 31, 2009, the Company had provisions of Rs. 313 and Rs. 374 respectively on account of accrued interest and penalties related to unrecognized tax benefits. Interest and penalties included in other income, net were Rs. 199 and Rs. 61 for the year ended March 31, 2008 and 2009, respectively.

For each major jurisdiction we have listed out the periods for which the income tax authorities can review/audit Company's income tax filings. Additionally, certain tax positions relate to earlier years, which are currently under appellate authorities and courts and have been included in Note 26.

Jurisdiction	Open tax years
India	2004-05 to 2008-09
United States – federal taxes	2004-05 to 2008-09
United States – state taxes	2002-03 to 2008-09
United Kingdom	2002-03 to 2008-09
Japan	2002-03 to 2008-09
Canada	2000-01 to 2008-09

22. Employee Stock Incentive Plans

Wipro Equity Reward Trust (WERT). In 1984, the Company established a controlled trust called the WERT. Under this plan, the WERT would purchase shares of Wipro out of funds borrowed from Wipro. The Company's Compensation Committee would recommend to the WERT, officers and key employees, to whom the WERT will grant shares from its holding. The shares have been granted at a nominal price. Such shares would be held by the employees subject to vesting conditions. The shares held by the WERT are reported as a reduction from stockholders' equity.

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

	Year ended March 31,		
	2007	2008	**2009**
Shares held at the beginning of the year	7,869,060	7,961,760	**7,961,760**
Shares granted to employees	-	-	-
Grants forfeited by employees	92,700	-	-
Shares held at the end of the year	7,961,760	7,961,760	**7,961,760**

Wipro Employee Stock Option plan and Restricted Stock Unit Option Plan. A summary of general terms of grants under stock option plans and restricted stock unit plans are as follows:

Name of Plan	Authorized Shares	Range of Exercise Prices
Wipro Employee Stock Option Plan 1999 (1999 Plan)	30,000,000	Rs. 171 – 490
Wipro Employee Stock Option Plan 2000 (2000 Plan)	150,000,000	Rs. 171 - 490
Stock Option Plan (2000 ADS Plan)	9,000,000	$ 3 – 7
Wipro Restricted Stock Unit Plan (WRSUP 2004 plan)	12,000,000	Rs. 2
Wipro ADS Restricted Stock Unit Option Plan (WARSUP 2004 plan)	12,000,000	$0.04
Wipro employee Restricted Stock Unit Option Plan 2005 (WSRUP 2005 plan)	12,000,000	Rs. 2
Wipro employee Restricted Stock Unit Option Plan 2007 (WSRUP 2007 plan)	10,000,000	Rs. 2

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

The following table summarizes stock option activity:

		Year ended March 31,					
		2007		2008		**2009**	
	Range of Exercise Prices	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price	**Number**	**Weighted Average Exercise Price**
Outstanding at the beginning of the year......	Rs. 171 – 490	34,317,113	Rs. 310	2,955,319	Rs. 333	**1,219,926**	**Rs. 264**
	$ 3 – 7	1,447,742	$ 6	556,089	$ 6	**8,706**	**$ 5**
	Rs. 2	7,598,174	Rs. 2	10,946,864	Rs. 2	**9,700,163**	**Rs. 2**
	$ 0.04	1,000,720	$ 0.04	1,551,330	$ 0.04	**1,885,236**	**$ 0.04**
Granted...........................	Rs. 171 - 490	-	Rs. -	-	Rs. -	**120,000**	**Rs. 489**
	$ 3 – 7	-	$ -	-	$ -	**-**	**$ -**
	Rs. 2	6,132,636	Rs. 2	81,300	Rs. 2	**6,882,415**	**Rs. 2**
	$ 0.04	918,130	$ 0.04	665,386	$ 0.04	**1,484,261**	**$ 0.04**
Exercised..........................	Rs. 171 - 490	(30,120,192)	Rs. 308	(1,211,880)	Rs. 374	**345,099**	**Rs. 263**
	$ 3 – 7	(891,653)	$ 6	(500,199)	$ 6	**4,400**	**$ 4.7**
	Rs. 2	(2,036,918)	Rs. 2	(574,051)	Rs. 2	**1,762,283**	**Rs. 2**
	$ 0.04	(196,620)	$ 0.04	(167,540)	$ 0.04	**446,841**	**$ 0.04**
Forfeited and lapsed.......	Rs. 171 - 490	(1,241,602)	Rs. 283	(523,513)	Rs. 400	**873,687**	**Rs. 264**
	$ 3 – 7	-	$ -	(47,184)	$ 7	**2,700**	**$ 5.82**
	Rs. 2	(747,028)	Rs. 2	(753,950)	Rs. 2	**1,020,710**	**Rs. 2**
	$ 0.04	(170,900)	$ 0.04	(163,940)	$ 0.04	**452,015**	**$ 0.04**
Outstanding at the end of the year.....................	Rs. 171 - 490	2,955,319	Rs. 333	1,219,926	Rs. 264	**121,140**	**Rs. 487**
	$ 3 – 7	556,089	$. 6	8,706	$ 5	**1,606**	**$ 4.7**
	Rs. 2	10,946,864	Rs. 2	9,700,163	Rs. 2	**13,799,585**	**Rs. 2**
	$ 0.04	1,551,330	$ 0.04	1,885,236	$ 0.04	**2,470,641**	**$ 0.04**

The following table summarizes information about stock options outstanding as of March 31, 2009

	Options Outstanding			Options Exercisable		
Range of Exercise Prices	**Numbers**	**Weighted Average Remaining Life (Months)**	**Weighted Average Exercise Price**	**Numbers**	**Weighted Average Remaining Life (Months)**	**Weighted Average Exercise Price**
Rs. 171 – 490	121,140	63.4	Rs. 487	1,140	2.93	Rs. 254
$ 3 –7	1,606	11.9	$ 4.70	1,606	11.9	$ 4.70
Rs 2	13,799,585	44	Rs. 2	2,975,987	26	Rs. 2
$ 0.04	2,470,641	51	$ 0.04	208,412	27	$ 0.04

The weighted-average grant-date fair value of options granted during the years 2007, 2008 and 2009 was Rs. 512, Rs. 578 and Rs. 319, for each option respectively.

The total intrinsic value of stock options exercised during the years ended March 31, 2007, 2008, and 2009, was Rs. 9,578, Rs. 713 and Rs. 654 respectively. As of March 31, 2009 stock option outstanding and exercisable had an aggregate intrinsic value of Rs. 2,976 and Rs. 418 respectively. As of March 31, 2009, the unamortized stock compensation expense under the stock option plans is Rs. 3,327 and the same is expected to be amortized over a weighted average period of approximately 3 years.

An amendment to the Indian tax regulations levies a tax titled Fringe Benefit Tax (FBT) on all employee stock options, that are exercised on or after April 1, 2007, and is based on the intrinsic value of the stock options on the vesting date. The FBT liability is triggered only if the options are exercised. Consistent with the guidance in EITF Issue No. 00-16, Recognition and Measurement of Employer Payroll Taxes on Employee Stock Based Compensation, the Company records the FBT expense when the stock option is exercised since the FBT liability is triggered only subsequent to exercise. The tax laws permit the employer to recover the FBT from the employee as the tax relates to benefits that accrue to the employee. Consequent to the amendment in the tax regulations, the Company has modified its employee stock option plans to recover the FBT from the employees. The Company's recovery of FBT from the employees is directly linked to the exercise of the stock option by such employee and is recorded as an additional component of the exercise price of the options based on the guidance previously provided by Issue 15 of EITF Issue No. 00-23, Issues Related to the Accounting for Stock Compensation under APB Opinion No. 25 and FASB Interpretation No. 44.

The fair value of each option granted has been determined using the Binomial option pricing model. The model includes assumptions regarding dividend yields, expected volatility, expected terms, risk free interest rates and expected FBT recovery. These assumptions reflect management's best estimates, but involve inherent market uncertainties based on market conditions generally outside of the Company's control. As a result, if other assumptions had been used in the current period, stock-based compensation expense may have been impacted. Further, if the management uses different assumptions in future periods, stock based compensation expense may be materially impacted in future years.

The fair value of each option is estimated on the date of grant using the Binomial model with the following assumptions:

	Year ended March 31, 2009
Expected term	5 – 7 years
Risk free interest rates	7.36 – 7.42
Volatility	35.81 – 36.21
Dividend yield	–

Total stock compensation cost recognized under the employee stock incentive plans is Rs. 1,336, Rs. 1,076 and Rs. 1,595 during the year ended March 31, 2007, 2008 and 2009 respectively. The compensation cost has been allocated to cost of revenues and operating expenses as follows:

	Year ended March 31,		
	2007	2008	2009
Cost of revenues	Rs. 1,044	Rs. 840	**Rs. 1,232**
Selling and marketing expenses	169	137	**197**
General and administrative expenses	123	99	**166**
	Rs. 1,336	Rs. 1,076	**Rs. 1,595**

Modification of Employee Stock Incentive Plan

During the year ended March 31, 2007, through a short-term inducement offer, the Company agreed to an arrangement whereby if certain vested options were exercised within the offer period through financing by an independent third-party financial institution, the Company would bear the interest obligation relating to this financing. The loan by the third-party financial institution is with no recourse to the Company. 11,879,065 options were exercised during the offer period. The Company has accounted for this arrangement as a short-term inducement resulting in modification accounting. Accordingly, incremental compensation cost of Rs. 86 had been recorded during the year ended March 31, 2007. During the year ended March 31, 2008 and 2009, the Company has revised the estimates of its interest obligation relating to the non-recourse financing and has accordingly recorded an additional compensation expense of Rs. 261 and 14 respectively.

Additionally, as a part of this arrangement 1,150,055 other vested options were exercised by certain employees through a non-recourse interest free loan aggregating Rs. 326 by a controlled trust, during the year ended March 31, 2007. Even though this transaction does not represent an exercise for accounting purpose, to reflect the legal nature of shares issued, an amount of Rs. 2, equivalent to the par value of shares issued has been transferred from additional paid-in capital to common stock. During the year ended March 31, 2008 and 2009, the employees have repaid Rs. 34 and Rs. 142, respectively of the interest free loan. These amounts have been recognized as additional paid in capital in shareholders equity.

23. Earnings Per Share

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

	Year ended March 31,		
	2007	2008	2009
Earnings			
Net income	Rs. 29,168	Rs. 32,241	**Rs. 34,415**
Equity shares			
Weighted average number of equity shares outstanding	1,426,709,163	1,450,604,615	**1,454,010,222**
Effect of dilutive equivalent shares-stock options	17,758,394	4,175,992	**2,280,493**
Weighted average number of equity shares and equivalent shares outstanding	1,444,467,557	1,454,780,607	**1,456,290,715**

Shares held by the controlled WERT and Wipro Inc Benefit Trust (WIBT) have been reduced from the equity shares outstanding for computing basic and diluted earnings per share. Shares exercised through a non-recourse loan by the WERT, have been reduced from the equity shares outstanding for computing basic earnings per share.

24. Employee Benefit Plans

Gratuity. In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering certain categories of employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company. The Company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC). Under this plan, the settlement obligation remains with the Company, although the Life Insurance Corporation of India administers the plan and determines the contribution premium required to be paid by the Company.

Effective March 31, 2007, the Company adopted SFAS No. 158, which required the recognition in pension obligations and accumulated other comprehensive income of actuarial gains or losses, prior service costs or credits and transition assets or obligations that had previously been deferred under the reporting requirements of SFAS No. 87, SFAS No. 106 and SFAS No. 132(R). As a result of the adoption, the Company recorded Rs. 124 as a reduction of the March 31, 2007 retained earnings.

Obligations and Funded Status

	As of March 31,	
	2008	2009
Change in the benefit obligation		
Projected Benefit Obligation (PBO) at the beginning of the year	Rs. 1,027	**Rs.1,381**
Service cost	258	**347**
Interest cost	89	**146**
Benefits paid	(135)	**(119)**
Actuarial loss/(gain)	142	**(89)**
PBO at the end of the year	1,381	**1,666**
Change in plan assets		
Fair value of plan assets at the beginning of the year	727	**1,250**
Actual return on plan assets	104	**112**
Employer contributions	554	**154**
Benefits paid	(135)	**(119)**
Plan assets at the end of the year	1,250	**1,397**
Funded status	(131)	**(269)**

Following is the summary of amounts in accumulated other comprehensive income / (loss) as of March 31, 2008 and 2009 that have not yet been recognized in the consolidated statements of income as components of net gratuity cost:

	Year ended March 31,	
	2008	2009
Net actuarial loss	Rs. 217	**Rs. 89**
Net prior service cost	-	**-**
Net transitional obligation	-	**-**
Total accumulated other comprehensive income	Rs. 217	**Rs. 89**

Net gratuity cost for the years ended March 31, 2007, 2008 and 2009 included:

	Year ended March 31,		
	2007	2008	2009
Service cost	Rs. 193	Rs. 258	**Rs. 347**
Interest cost	55	89	**146**
Expected return on assets	(42)	(54)	**(89)**
Amortization of transition liabilities/actuarial loss	(4)	13	**17**
Adjustments[1]	(78)	-	**-**
Net gratuity cost	Rs. 124	Rs. 306	**Rs. 421**

[1] Through March 31, 2006, for a certain category of employees, the Company previously recorded and disclosed a defined benefit plan as a defined contribution plan. During the year ended March 31, 2007, the Company recorded an adjustment of Rs. 78 as a credit to the income statement to record this plan as a defined benefit plan. The impact of this adjustment is not material to the income statement, accrued liability/ (prepaid asset) and the overall financial statement presentation.

The weighted average actuarial assumptions used to determine benefit obligations are:

	As of March 31,	
	2008	2009
Discount rate	9.35%	**8.85%**
Rate of increase in compensation levels	7%	**5%**
Rate of return on plan assets	7.5%	**8%**

The weighted average actuarial assumptions used to determine net periodic gratuity cost are:

	Year ended March 31,		
	2007	2008	2009
Discount rate	8%	9.6%	**8.85%**
Rate of increase in compensation levels	7%	7%	**5%**
Rate of return on plan assets	7%	7. 5%	**8%**

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The Company estimates the long-term return on plan assets based on the average rate of return expected to prevail over the next 15 to 20 years in the types of investments held. As of March 31, 2007, 2008 and 2009, a significant portion of the plan assets were invested in debt securities.

Accumulated benefit obligation was Rs. 988 and Rs. 1,387 as of March 31, 2008 and 2009 respectively.

Expected contribution to the fund for the year ending March 31, 2010	Rs.	764

Expected benefit payments from the fund for the year ending March 31:		
2010	Rs.	494
2011		445
2012		451
2013		471
2014		459
Thereafter		1,645
Total	Rs.	3,965

The expected benefits are based on the same assumptions used to measure the Company's benefit obligations as of March 31, 2009.

Superannuation. Apart from being covered under the Gratuity Plan described above, the senior officers of the Company also participate in a defined contribution plan maintained by the Company. This plan is administered by the third-party agencies. The Company makes annual contributions based on a specified percentage of each covered employee's salary. The Company has no further obligations under the plan beyond its annual contributions.

Provident fund. In addition to the above benefits, all employees receive benefits from a provident fund, a defined contribution plan. The employee and employer each make monthly contributions to the plan equal to 12% of the covered employee's salary. A portion of the contribution is made to the provident fund trust established by the Company, while the remainder of the contribution is made to the Government's provident fund.

The Company recognized an expense of Rs. 1,407, Rs. 2,383 and Rs. 2,737 towards contribution to various defined contribution and benefit plans during the years ended March 31, 2007, 2008 and 2009 respectively.

25. Sale of financial assets

From time to time, in the normal course of business, the Company transfers accounts receivables, net investment in sales-type finance receivables and employee advances (financials assets) to banks. Under the terms of the arrangements, the Company surrenders control over the financial assets and accordingly the transfers are recorded as sale of financial assets. The sale of financial assets may be with or without 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. Additionally, the Company retains servicing responsibility for the transferred financial assets. Gains and losses on sale of financial assets are recorded at the time of sale based on the carrying value of the financial assets, fair value of servicing liability and recourse obligations. During the years ended March 31, 2007, 2008 and 2009, the Company transferred financial assets of Rs. 480, Rs. 1,625 and Rs. 539 respectively, under such arrangements and has included the proceeds in net cash provided by operating activities in the consolidated statements of cash flows. This transfer resulted in loss of Rs. 9, Rs. 41 and Rs. 35 for the years ended March 31, 2007, 2008 and 2009 respectively, which is included in general and administrative expense. As at March 31, 2008 and 2009, the maximum amounts of recourse obligation in respect of the transferred financial assets are Rs. Nil and Rs. Nil respectively.

26. Commitments and Contingencies

Capital commitments. As of March 31, 2008 and 2009, the Company had committed to spend approximately Rs. Rs. 7,266 and Rs. 5,371 respectively, under agreements to purchase property and equipment. These amounts are net of capital advances paid in respect of these purchases.

Other commitments. The Company's Indian operations have been established as a Software Technology Park Unit under a plan formulated by the Government of India. As per the plan, the Company's India operations have export obligations to the extent of 1.5 times the employee costs for the year on an annual basis and 5 times the amount of foreign exchange released for capital goods imported, over a five year period. The consequence of not meeting this commitment in the future, would be a retrospective levy of import duty on certain computer hardware previously imported duty free. As of March 31, 2009, the Company has met commitments required under the plan.

As of March 31, 2008 and 2009, the Company had contractual obligations to spend approximately Rs 3,256 and Rs. 3,255 respectively; under purchase obligations which include commitments to purchase goods or services of either a fixed or minimum quantity that meet certain criteria.

Guarantees. As of March 31, 2008 and 2009, performance and financial guarantees provided by banks on behalf of the Company to the Indian Government, customers and certain other agencies amount to approximately Rs. 4,392 and Rs. 6,103 respectively, as part of the bank line of credit.

Contingencies and lawsuits

The Company received tax demands from the Indian income tax authorities for the financial years ended March 31, 2001, 2002, 2003 and 2004 aggregating to Rs. 11,127 (including interest of Rs. 1,503). The tax demand was primarily on account of denial of deduction claimed by the Company under Section 10A of the Income Tax Act 1961, in respect of profits earned by its undertakings in the Software Technology Park at Bangalore. The appeals filed by the Company for the above years to the first appellate authority were allowed in favour of the Company, thus deleting substantial portion of the demand raised by the Income tax authorities. On further appeal filed by the income tax authorities, the second appellate authority upheld the claim of the Company for years ended March 31, 2001, 2002, 2003 and 2004. In December 2008, the Company received, on similar grounds, additional tax demand of Rs. 5,388 (including interest of Rs. 1,615) for the financial year ended March 31, 2005. The Company has filed an appeal against the said demand within the time limits permitted under the statute.

Considering the facts and nature of disallowance and the order of the appellate authority upholding the claims of the Company for earlier years, the Company believes that the final outcome of the above disputes should be in favor of the Company and there should not be any material impact on the financial statements. The range of loss due to this contingency is between zero and the amount to which the demand is raised.

The company is subject to legal proceedings and claims which have arisen in the ordinary course of its business. The company's management does not reasonably expect that legal actions, when ultimately concluded and determined, will have a material and adverse effect on the results of operations or the financial position of the company.

27. Segment Information

The Chairman of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by SFAS No. 131, Disclosure about Segments of an Enterprise and Related Information. The Chairman of the Company evaluates the segments based on their revenue growth, operating income and return on capital employed. The management believes that return on capital employed is considered appropriate for evaluating the performance of its operating segments. Return on capital employed is calculated as operating income divided by the average of the capital employed at the beginning and at the end of the period. Capital employed includes total assets of the respective segments less all liabilities, except for short-term borrowings, long-term debt and obligations under capital leases.

In April 2008, the Company re-organized its IT businesses by combining the Global IT Services and Products business and the India and AsiaPac IT Services and Products business and appointed joint Segment Chief Executive Officers for the combined IT businesses. Consequent to the reorganization, the Company identified IT Services and IT Products as the new operating and reportable segments within its IT business. There is no change in the reportable segments for other businesses.

IT Services segment provides IT and IT enabled services to customers. Key service offering includes software application development, application maintenance, research and development services for hardware and software design, data center outsourcing services and business process outsourcing services.

IT Products segment sells a range of Wipro personal desktop computers, Wipro servers and Wipro notebooks. We are also value added reseller of desktops, servers, notebooks, storage products, networking solutions and packaged software for leading international brands. In certain total outsourcing contracts of IT Services segment, the company delivers hardware, software and other related deliverables. Revenue relating to these items are reported in the IT Products segment.

The Consumer Care and Lighting segment manufactures, distributes and sells personal care products, baby care products, lighting products and hydrogenated cooking oils for the Indian and Asian market.

'Others' consist of business segments that do not meet the requirements individually for a reportable segment as defined in SFAS No. 131. Corporate activities such as treasury, legal and accounting, which do not qualify as operating segments under SFAS No. 131 have been considered as reconciling items. Fringe benefit tax, which is an expenditure related tax, incurred by the Company is not allocated to individual segments and is reported as a reconciling item.

Segment data for previous periods has been reclassified on a comparable basis.

Information on reportable segments is as follows:

	Year ended March 31, 2007						
	IT Services and Products			Consumer Care and Lighting	Others	Reconciling Items	Entity Total
	IT Services	IT Products	Total				
Revenues	117,819	16,990	134,809	7,559	7,063	-	149,431
Exchange rate fluctuations	(179)	(25)	(204)	4	3	197	-
Total revenues	117,640	16,965	134,605	7,563	7,066	197	149,431
Cost of revenues	(76,488)	(15,325)	(91,813)	(4,905)	(5,748)	-	(102,468)
Selling and marketing expenses	(6,587)	(581)	(7,168)	(1,483)	(477)	(45)	(9,173)
General and administrative expenses	(6,487)	(436)	(6,923)	(120)	(501)	(95)	(7,639)
Amortization of intangible assets	(244)	(13)	(257)	(5)	(7)	-	(269)
Exchange rate fluctuations	-	-	-	-	-	(197)	(197)
Others, net	93	29	123	17	51	29	220
Operating income of segment [1]	27,927	639	28,566	1,067	384	(111)	29,906
Total assets of segment			85,905	4,677	7,742	48,443	146,767
Capital employed opening			44,939	1,310	2,833	30,387	79,469
Capital employed closing			59,835	3,094	5,659	36,662	105,250
Average capital employed			52,387	2,202	4,246	33,524	92,359
Return on capital employed			55%	49%	-	-	33%-
Accounts receivable			26,139	723	1,221	-	28,083
Cash and cash equivalents and investments securities			9,902	358	251	34,312	44,823
Depreciation			3,673	103	139	16	3,931

	Year ended March 31, 2008						
	IT Services and Products			Consumer Care and Lighting	Others	Reconciling Items	Entity Total
	IT Services	IT Products	Total				
Revenues	146,170	24,545	170,715	14,639	12,074	-	197,428
Exchange rate fluctuations	90	74	164	(20)	(19)	(125)	-
Total revenues	146,260	24,619	170,879	14,619	12,055	(125)	197,428
Cost of revenues	(98,407)	(22,036)	(120,443)	(8,681)	(9,913)	(199)	(139,236)
Selling and marketing expenses	(9,013)	(852)	(9,865)	(3,222)	(632)	(88)	(13,807)
General and administrative expenses	(8,312)	(894)	(9,206)	(816)	(704)	(94)	(10,820)
Amortization of intangible assets	(441)	(30)	(471)	(111)	(34)	-	(616)
Exchange rate fluctuations	-	-	-	-	-	125	125
Others, net	401	62	463	53	106	18	640
Operating income of segment (1)	30,488	869	31,357	1,842	. 878	(363)	. 33,714
Total assets of segment			138,879	23,137	16,250	46,603	224,869
Capital employed opening			59,835	3,094	5,659	36,662	105,250
Capital employed closing			99,673	19,308	6,990	48,219	174,190
Average capital employed			79,754	11,201	6,325	42,440	139,720
Return on capital employed			39%	16%	-	-	24%
Accounts receivable			35,241	2,246	1,421	-	38,908
Cash and cash equivalents and investments securities			22,103	735	104	31,136	54,078
Depreciation			4,818	198	308	19	5,343

	Year ended March 31, 2009						
	IT Services and Products			Consumer Care and Lighting	Others	Reconciling Items	Entity Total
	IT Services	IT Products	Total				
Revenues	Rs. 192,635	Rs. 33,519	Rs.226,154	Rs. 19,302	Rs. 9,108	Rs. -	Rs. 254,564
Exchange rate fluctuations	(1,442)	(95)	(1,537)	(59)	(150)	1,746	-
Total revenues	191,193	33,424	224,617	19,243	8,958	1,746	Rs. 254,564
Cost of revenues	(128,089)	(30,175)	(158,264)	(10,785)	(8,672)	(455)	(178,176)
Selling and marketing expenses	(11,270)	(1,335)	(12,605)	(4,660)	(293)	(204)	(17,762)
General and administrative expenses	(12,234)	(717)	(12,951)	(1,203)	(416)	(126)	(14,696)
Amortization of intangible assets	(1,061)	(23)	(1,084)	(365)	(39)	-	(1,488)
Exchange rate fluctuations	-	-	-	-	-	(1,596)	(1,596)
Others, net	271	44	315	64	136	29	544
Operating income of segment [1]	Rs. 38,810	Rs. 1,218	Rs. 40,028	Rs. 2,294	Rs. (326)	Rs. (606)	Rs. 41,390
Total assets of segment			Rs. 192,406	Rs. 22,574	Rs. 7,667	Rs. 68,440	Rs. 291,087
Capital employed opening			99,673	19,308	6,990	48,219	174,190
Capital employed closing			125,243	18,507	6,452	57,023	207,225
Average capital employed			112,458	18,908	6,721	52,621	190,708
Return on capital employed			36%	12%			22%
Accounts receivable			43,034	2,414	769	-	46,217
Cash and cash equivalents and investments securities			23,163	881	32	41,221	65,297
Depreciation			6,198	298	306	19	6,821

[1] Operating income of segments is after recognition of stock compensation expense arising from the grant of options:

Segments	2007	2008	2009
IT Services	Rs. 1,218	Rs. 948	**Rs. 1,368**
IT Products	62	59	**102**
Consumer Care and Lighting	23	42	**75**
Others	13	5	**18**
Reconciling items	20	22	**32**
Total	Rs. 1,336	Rs. 1,076	**Rs. 1,595**

The Company has four geographic segments: India, the United States, Europe and Rest of the world.

Revenues from the geographic segments based on domicile of the customer are as follows:

	Year ended March 31,		
	2007	2008	2009
India	Rs. 30,650	Rs. 46,891	**Rs. 52,908**
United States	72,846	87,552	**116,281**
Europe	36,972	48,259	**57,109**
Rest of the world	8,963	14,726	**28,266**
	Rs. 149,431	Rs. 197,428	**Rs. 254,564**

28. Fair Value Disclosures

The Company measures certain financial assets and liabilities at fair value on a recurring basis, including derivative instruments and investment securities. The fair value measurements of these derivative instruments and investment securities using the following inputs as of March 31, 2009:

Particulars	Total	Fair value measurements at reporting date		
		Level 1	Level 2	Level 3
Assets				
Derivative instruments[a]	Rs. 1,165	Rs. -	Rs. 1,165	Rs. -
Investments in liquid and short-term mutual funds[b]	15,212	15,212		-
Investments in Certificate of Deposits[b]	968	-	968	-
Liabilities				
Derivative instruments[c]	12,024	-	12,024	-

(a) Included in other current assets in the consolidated balance sheet

(b) Included in short term investments in the consolidated balance sheet

(c) Included in other current liabilities in the consolidated balance sheet

Derivatives. The Company involves independent appraisers to determine the fair value of derivative instruments. The fair value is determined based on observable market inputs including currency spot and forward rates, yield curves, currency volatility etc.

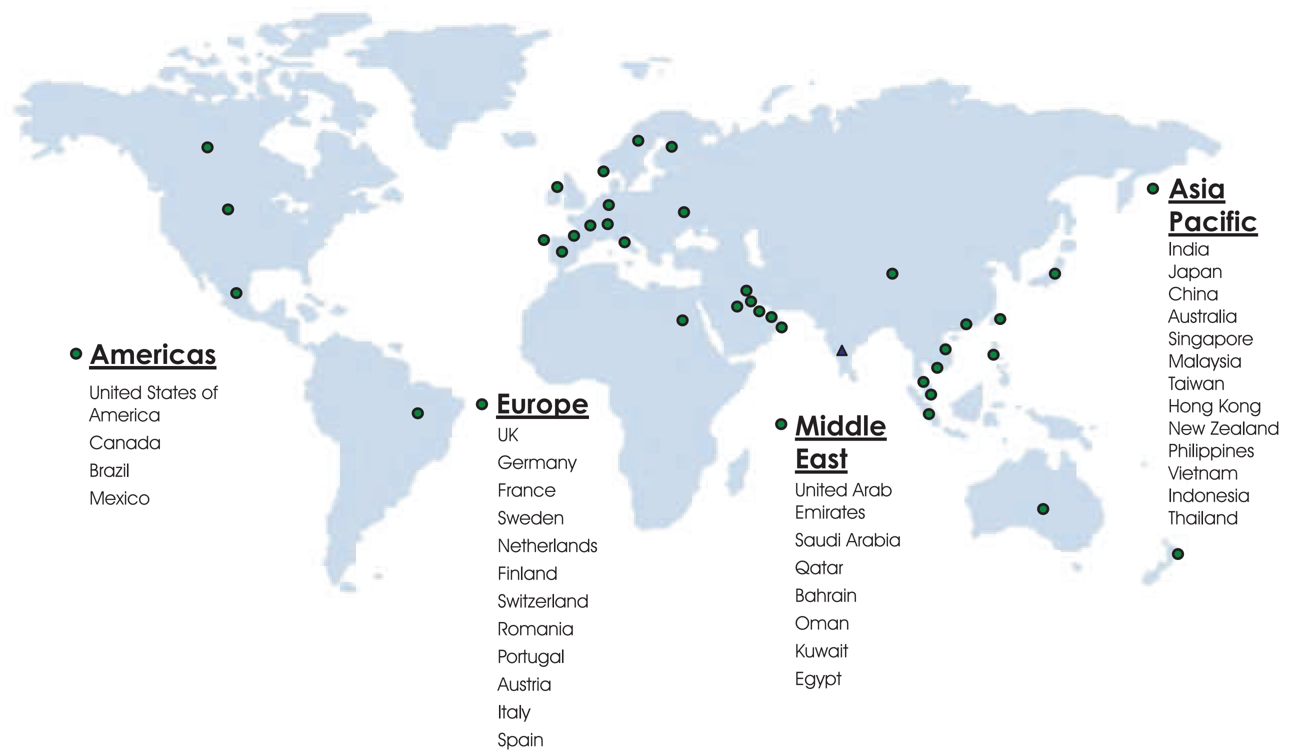
Investments. Investments in liquid & short-term mutual funds which are classified as available-for-sale are measured using quoted market prices at the reporting date multiplied by the quantity held. Fair value of investments in certificate of deposits, classified as available for sale is determined by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

Further, the fair value of the Company's current assets and current liabilities approximate their carrying value because of their short term maturity. Such financial instruments are classified as current and are expected to be liquidated within the next twelve months. A substantial portion of the Company's long-term debt has been contracted at floating rate of interest which is reset at short intervals. Accordingly, carrying value of such debt approximates fair value as of March 31, 2009.

Glossary

ROCE	Return on Capital Employed; PBIT / Average capital employed
Effective Tax Rate	Income tax expense / Profit before tax
Networth	Share capital and reserves and surplus
Cash & Investments	Cash and cash equivalents and investments excluding investments in associates
Return on average Networth	Profit after tax/Average networth
Return on Invested Capital	PBIT / Average Capital employed (net of cash and investments)
Book Value	Networth/ outstanding equity shares
PE Ratio	Share price / Basic earnings per share
Days sales outstanding	Debtors / sales for Q4 of fiscal year x 90
Capital employed	Total assets less current liabilities
PBIT	Profit before interest and taxes
CAGR	Compounded annual growth rate

Our Global Presence



▲ Head Quarters - India

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Indicative Map, not to scale.

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