PART I

Item 1. Identity of Directors, Senior Management and Advisers

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

Capitalization and Indebtedness

Not applicable.

Reasons for the Offer and Use of Proceeds

Not applicable.

Risk Factors

This Annual Report contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those set forth in the following risk factors and elsewhere in this Annual Report. The following risk factors should be considered carefully in evaluating us and our business.

Summary of material risks:

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

- Our revenues are highly dependent on clients primarily located in the Americas (including the United States) and Europe, as well as on clients concentrated in certain industries; therefore, an economic slowdown or factors that affect the economic health of the United States, Europe or these industries would adversely affect our business.
- Our revenues and expenses are difficult to predict because they can fluctuate significantly given the nature of the markets in which we operate.
- Our revenue and operating results may be affected by the rate of growth in the use of technology in business and the type and level of technology spending by our clients.
- Our use of artificial intelligence (“**AI**”) technologies may not be successful and may present business, financial, legal, and reputational risks.
- If our clients are unable to pay our dues and receivables, our results of operations and cash flows could be adversely affected.
- Some of our long-term client contracts contain benchmarking and most favored customer provisions which, if triggered, could result in lower contractual revenues and profitability in the future.
- Our work with government clients exposes us to additional risks inherent in the government contracting environment.
- Many of our client contracts can be terminated without cause, with little or no notice and without termination charges, which could negatively impact our revenue and profitability.
- Restrictive changes to immigration laws may hamper our growth and cause our revenue to decline.
- We may be subject to litigation and be required to pay damages for deficient services or for violating intellectual property (“**IP**”) rights, data breach or breach of confidentiality.
- Cyber-attacks and other security incidents, both real and perceived, impacting the confidentiality and integrity of our information technology and digital infrastructure could lead to loss of reputation and financial obligations.

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

Risks Related to Our Company and Our Industry

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

Our results historically have fluctuated, may fluctuate in the future and may fail to match our past performance, our projections or ambition or guidance, our internal expectations or the expectations of investors due to a number of factors, including but not limited to:

- the size, complexity, timing, pricing terms and profitability of significant projects, as well as changes in the corporate decision-making process of our clients;
- increased pricing pressure from our competitors;
- our ability to increase sales of our services to new customers and expand sales to our existing customers;
- industry consolidation leading to stronger competitors that are able to compete better;
- seasonal changes that affect the mix of services we provide to our clients or the relative proportion of services and product revenue;
- the effect of increased wage pressure in India and other locations and the time we require to train and productively utilize our new employees;
- our ability to accurately forecast our client's demand patterns to ensure the availability of trained employees to satisfy such demand; and
- our ability to identify and acquire new businesses.

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

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

- the duration of tax holidays or exemptions and the availability of other Indian Government incentives;

- currency exchange fluctuations, specifically movement of the Indian Rupee against the U.S. Dollar, the Pound Sterling, the Euro, the Canadian Dollar and the Australian Dollar, as significant portion of our revenues are in these currencies;
- political uncertainties, changes in regulations, or other economic factors, including the economic conditions, in India, the United States, the United Kingdom, the European Union, Australia, Middle East and other geographies in which we operate and uncertain or changing economic conditions particular to a business segment or to particular customer markets within that segment; and
- increase in cost of operations in countries that we operate in on account of changes in minimum wage regulations.

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

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

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

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

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

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

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

We derive approximately 60.1% of our IT Services segment revenue from the Americas (including the United States) and 28.4% of our IT Services segment revenue from Europe. Our business and financial performance is and will continue to be affected by economic conditions globally. We are exposed to the economic, market and fiscal conditions in the United Kingdom (the "U.K.") and the European Union (the "EU"). If the economy in the Americas or Europe is volatile or uncertain or conditions in the global financial market deteriorate, pricing for our services may become less attractive and our clients located in these geographies may reduce or postpone their technology spending significantly or cause our clients to request discounts on our products or services. For example, geopolitical conflict between Russia and Ukraine or conflict in the Middle East , and the resulting international political crisis could have significant negative macroeconomic consequences, such as rise in inflation or slow-down in GDP growth rates, including on the businesses of our customers and partners and negatively impact their spending on IT services. Reduction in spending on IT services may lower the demand for our services and negatively affect our revenues and profitability. Increased protectionism may also result in weaker global trade and economic activity, which could adversely affect our business.

Our clients are concentrated in certain key industries or sectors. Any significant decrease in the growth of any one of these industries, or widespread changes in any such industry, including changes to commodity prices, may reduce or alter the demand for our services and adversely affect our revenue and profitability. For instance, fluctuations in global crude oil prices have significantly impacted the companies operating in the energy industry, impacting revenue and profitability of our Energy and Utilities industry sector. Furthermore, some of the industries in which our clients are concentrated, such as the financial services industry, health care industry or the energy and utilities industry, are, or may be, increasingly subject to governmental regulations, including those related to climate change, sanctions and interventions. Increased regulation, changes in existing regulation or increased governmental intervention in the industries in which our clients operate may adversely affect the growth of their respective businesses and therefore negatively impact our revenues.

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

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

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

Our international expansion plans may not be successful, and we may not be able to compete effectively in other countries. We may face competition in other countries from companies that may have more experience with operations in such countries, have well-established relationships with clients, or be able to provide services at lower costs or on terms more attractive than we can. We may also face difficulties integrating new facilities in different countries into our existing operations, as well as integrating employees that we hire in different countries into our culture.

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

Terrorist attacks and other acts of violence or war have the potential to directly impact our clients. To the extent that such attacks affect or involve the U.S. or Europe, our business may be significantly impacted, as a majority of our revenue is derived from clients located in those regions.

Further, South Asia has from time to time experienced instances of civil unrest and hostilities among neighboring countries. Such activities could disrupt communications, make travel more difficult, and create a greater perception that investments in Indian companies involve a higher degree of risk. This, in turn, could have a material adverse effect on the market for the securities of Indian companies, including our equity shares and our ADSs, and on the market for our services.

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

Restrictive changes to immigration laws in countries in which we operate, including the United States, may limit outsourcing work, which may hamper our growth and cause our revenue to decline.

The success of our business is dependent on our ability to attract and retain talented and experienced professionals, and the ability to mobilize them around the world to meet our clients’ needs. Some countries and non-governmental organizations have expressed concerns about a perceived connection between offshore outsourcing and the loss of domestic jobs. It is difficult to predict the political and economic events that could affect immigration laws, or the restrictive impact they could have on obtaining or renewing work visas for our technology professionals. Immigration laws in the countries we operate in are subject to legislative changes, as well as to variations in the standards of application and enforcement due to political forces and economic conditions. Changes in immigration laws to restrict outsourcing of services internationally by domestic corporations, limit the availability of certain work visas or increase visa fees in the key markets in which we operate may impact our ability to staff projects in a timely manner and negatively affect our profitability.

Travel restrictions during pandemic like COVID-19, may also negatively impact our employees' ability to obtain work permits or cause delays in obtaining work permits and travel as required to provide services to our clients.

In addition to calls for changes to U.S. immigration laws regarding the admission of highly skilled temporary and permanent workers, legislation restricting outsourcing may be enacted at the federal and/or state level in the United States. Since a large part of our business centers around the United States, changes to U.S. immigration laws could make it more difficult to obtain the required nonimmigrant work authorizations for our employees that allow us to compete for and provide timely and cost-effective services to our clients in the United States, which in turn could adversely affect our revenues and operating profitability.

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

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

Risks Related to Our Contractual Obligations

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

We may be subject to customer audits on quality of service and required to pay damages or face litigations for losses caused by deficient services. We may be liable to our clients for damages or termination of contract if we are unable to address disruption in services to our clients with adequate business continuity plans. We may not be aware if our employees have misappropriated and/or misused IP, and their actions could result in third-party claims against us for IP misappropriation and/or infringement. We may also be subject to litigation or damages for violating or misusing our clients' IP rights or for breaches of third-party IP rights or confidential information (including but not limited to proprietary data and personally identifiable information). Further, our contracts often contain provisions pursuant to which we must indemnify our clients for such third-party breaches of IP, data breach or breach of confidentiality pursuant to our contracts. Additionally, any failure in a client's system could result in a claim for substantial damages against us, regardless of our responsibility for such failure. Although we attempt to limit our contractual liability for damages in rendering our services, we cannot be assured that such limitations on liability will be enforceable in all cases, or that they will otherwise protect us from liability for consequential and other damages. Such scenarios could require us to pay damages, enter into expensive arrangements or modify our products and services, causing significant damage to our reputation and adversely affecting our results from operations.

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

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

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

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

- Government entities often reserve the right to audit our contract costs, including allocated indirect costs, and conduct inquiries and investigations of our business practices with respect to our government contracts. If the client finds that the costs are not chargeable, then we will not be allowed to bill for them, or the cost must be refunded to the client if it has already been paid to us. Findings from an audit may also result in prospective adjustments of previously agreed upon rates for our work and may affect our future margins.
- If a government client discovers improper or illegal activities in the course of audits or investigations, we may become subject to various civil and criminal penalties and administrative sanctions, which may include termination of contracts, forfeiture of profits, suspension of payments, fines and suspensions or unilateral debarment from doing business with other agencies of that government. The inherent limitations of internal controls may not prevent or detect all improper or illegal activities, regardless of their adequacy, and therefore we can only mitigate, and not eliminate, this risk.
- Government contracts are often subject to more extensive scrutiny and publicity than contracts with commercial clients. Negative publicity related to our government contracts, regardless of its accuracy, may further damage our business by affecting our ability to compete for new contracts among commercial and governmental entities.
- Political and economic factors such as pending elections, changes in leadership among key governmental decision makers, revisions to governmental tax policies, reduced tax revenues and public health crises, such as COVID-19, can affect the number and terms of new government contracts signed.
- Terms and conditions of government contracts tend to be more onerous and are often more difficult to negotiate than those for commercial contracts.
- Government contracts may not include a cap on direct or consequential damages, which could cause additional risk and expense in these contracts.
- Agreements with government clients may be subject to periodic funding approval. Funding reductions or delays could adversely impact public sector demand for our offerings.
- Participation in government contracts could subject us to stricter regulatory requirements, which may increase our cost of compliance.
- Delays in acceptances of delivery milestones or release of payments could adversely affect our cashflows.

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

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

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

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

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

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

Risks Related to Our Investments

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

The IT services market is characterized by rapid technological changes, evolving industry standards, changing client preferences and new product and service introductions. Our future success will depend on our ability to anticipate these advances and enhance our existing offerings or develop new product and service offerings to meet client needs. We may not be successful in anticipating or responding to these advances on a timely basis, or, if we do respond, the services or technologies we develop may not be successful in the marketplace. We may also be unsuccessful in stimulating customer demand for new and upgraded products, or seamlessly managing new product introductions or transitions. Further, products, services or technologies that are developed by our competitors, including emerging companies offering specialized services with effective and targeted allocation of technical, marketing and financial resources, may render our services non-competitive or obsolete. Our failure to address the demands of the rapidly evolving information technology environment, particularly with respect to digital technology, the internet of things (“**IoT**”) (including 5G), AI, including Generative AI ("**GenAI**"), infrastructure and network engineering, intelligent connected products, digital engineering and manufacturing, edge computing, augmented reality, automation, blockchain and quantum computing or as-a-service solutions could have a material adverse effect on our business, results of operations and financial condition.

Our use of AI technologies may not be successful and may present business, financial, legal, and reputational risks.

We increasingly use AI-based technologies, including GenAI, in our client offerings and our own internal operations. The development, adoption, and use of AI technologies are still in their early stages and ineffective or inadequate AI development or deployment practices by us or our clients could result in unintended consequences.

AI technologies are complex and rapidly evolving, and we face significant competition, including from our own clients, who may develop their own internal AI-related capabilities, which in each case, can lead to reduced demand for our services. As these technologies evolve, some services and tasks currently performed by our people may be replaced by automation.

Furthermore, the legal and regulatory landscape surrounding AI technologies is rapidly evolving and uncertain including in the areas of IP, cybersecurity, and privacy and data protection. Beyond the EU, the US is developing strict requirements around robustness, security and fairness in use of AI technology. Customers will require adherence to regulations and we may need to offset some risks through upskilling of technical teams. This is complex for a decentralized company like ours where the AI talent pool is dispersed. Equally, the increase in regulatory scrutiny means that we must enhance our due diligence and quality assurance in our AI related engagements and produce a detailed and reproducible inventory of all the AI systems we develop and deploy with clients.

We may become subject to new legal and other obligations in connection with our use of GenAI and other forms of AI, which could require us to make significant changes to our policies and practices, necessitating expenditure of significant time, expense, and other resources. Additionally, many of the foregoing risks may lead to reduced demand for our services or harm our ability to obtain favorable pricing or other terms for our services, which could have a material adverse effect on our business, results of operations and financial condition.

We are making substantial investments in new facilities and physical infrastructures, and our profitability could be reduced if our business does not grow proportionately.

We have invested substantially in construction or expansion of software development facilities and physical infrastructure in anticipation of growth in our business. The total amount of cash outflow towards investment in property, plant and equipment in fiscal year 2024 was 10,510 million (US$ 126.1 million). Additionally, as of March 31, 2024, we had contractual commitments of 10,322 million (US$ 123.9 million) related to capital expenditures on construction or expansion of our software development and other facilities. We may encounter cost overruns or project delays in connection with new facilities and these expansions may increase our fixed costs. If we are unable to grow our business and revenues to sufficiently offset the increased expenditures, our profitability could be reduced.

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

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

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

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

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

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

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

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

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

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

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

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

Indian law limits our ability to raise capital outside India and may limit the ability of others to acquire us, which could prevent us from operating our business or entering into a transaction that is in the best interests of our shareholders.

Indian law constrains our ability to raise capital outside of India through the issuance of equity or convertible debt securities. Generally, any foreign investment in, or an acquisition of, an Indian company under the applicable foreign exchange regulations does not require approval from the Reserve Bank of India ("**RBI**") and relevant government authorities in India, subject to compliance of prescribed conditions. The Government of India ("**GoI**") currently does not mandate prior approvals for IT companies such as ours. However, by notification dated April 22, 2020, the GoI has amended its foreign direct investment ("**FDI**") policy to state that investment by a non-resident entity of a country which shares a land border with India, or where the beneficial ownership of an investment into India is situated in or is a citizen of any such countries, shall be under the 'Government Route', which requires GoI approval prior to investment. Further, in case of transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the above-mentioned restriction/purview such subsequent change in beneficial ownership, will also require GoI approval. If we are required to seek the approval of the GoI and the GoI does not approve the proposed investment or implements a limit on the foreign equity ownership of IT companies, our ability to seek and obtain additional equity investment by foreign investors will be limited. In addition, these restrictions, if applied to us, may prevent us from entering into a transaction, such as an acquisition by a non-Indian company, which would otherwise be beneficial for our Company and the holders of our equity shares and ADSs.

Risks Related to our Cost Structure

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

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

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

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

We may also fail to obtain renewals or provide ongoing services, the loss of which prevents us from realizing from long-term cost savings. In particular, any increased or unexpected costs, or wide fluctuations compared to our original estimates, delays or failures to achieve anticipated cost savings, or unexpected risks we encounter in connection with the performance of this work, including those caused by factors outside our control, could make these contracts less profitable or unprofitable, which could have an adverse effect on our profit margin.

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

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

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

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

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

Our wage costs in India have historically been significantly lower than wage costs in the U.S. and Europe for comparably skilled professionals, and this has been one of our competitive advantages. However, wage increases in India may prevent us from sustaining this competitive advantage and may negatively affect our profit margins. We have historically experienced significant competition for employees from large multinational companies that have established and continue to establish offshore operations in India, as well as from companies within India. We may need to increase the levels of our employee compensation more rapidly than in the past to retain talent. Once the effective date is notified by the GoI, we may also experience increased costs in future years for employment and post-employment benefits in India as a result of the issuance of The Code on Social Security, 2020. Unless we are able to continue to increase the efficiency and productivity of our employees over the long term, wage increases may reduce our profit margins. Furthermore, any inability to increase the proportion of employees with less experience, or source talent from other low-cost locations, like Eastern Europe, China or Southeast Asia could also negatively affect our profits.

Our defined benefit plan assets are subject to market volatility.

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

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

Our IT Services business contributes 99.5% of our revenue. A significant portion of our revenue from this segment is derived from transactions in foreign currencies, including the U.S. Dollar, the Pound Sterling, the Euro, the Canadian Dollar and the Australian Dollar while a large portion of our costs are in Indian Rupees. The exchange rate between the Indian Rupee and foreign currencies has fluctuated significantly in recent years and may continue to fluctuate in the future. As our financial statements are presented in Indian Rupees, such fluctuations could have a material impact on our reported results. Appreciation of the Indian Rupee against foreign currencies can therefore adversely affect our revenue and competitive position and can adversely impact our operating results. We generate approximately 40% of our IT Services revenues in non-U.S. Dollar currencies, and the exchange rate fluctuations between these currencies and the U.S. Dollar can affect our revenues and growth, as expressed in U.S. Dollar terms.

A significant portion of our debt is in foreign currencies. We may also undertake hedging strategies to mitigate exposure of exchange rate risk relating to foreign currency borrowings, including entering into interest rate swaps. If the value of the Indian Rupee declines, the size of our debt obligations and interest expenses in Indian Rupees may increase. This will adversely impact our net income. We also experience other market risks, including changes in the interest rates of the securities that we own. However, if our strategies to reduce market risks are not successful, our financial condition and operating results may be harmed.

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

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

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

Risks Related to Our Workforce

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

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

Our ability to execute project engagements and to obtain new clients depends in large part on our ability to attract, train, motivate and retain highly skilled professionals, especially senior technical personnel, project managers and software engineers. Costs associated with recruiting and training employees are significant. We believe that there is significant competition for professionals with the skills necessary to perform the services we offer, particularly in the locations in which we have operations, which may also impact our ability to attract and retain personnel. Additionally, in response to COVID-19, we offered hybrid working model to our employees. If we implement and enforce policies that make it mandatory for employees to return to the office full-time, this may impact our ability to attract talent.

If we cannot hire and retain technical personnel, our ability to bid on and obtain new projects and to continue to expand our business will be impaired and our revenue could decline. Our compensation policies include equity-based incentive compensation plans that are designed to reward high-performing personnel for their contributions and provide incentives for them to remain with us. If the anticipated value of such incentives does not materialize because of volatility or lack of positive performance in our stock price, or if our total compensation package is not viewed as being competitive, our ability to attract and retain personnel could be adversely affected.

We may not be able to hire and retain enough skilled and experienced employees to replace those who leave, which may increase our reliance on subcontractors to fulfill demand and could negatively impact our profitability. Additionally, we may not be able to re-skill, reassign or retain our employees to keep pace with continuous changes in technology such as AI, evolving standards and changing client preferences. If we are unable to maintain an employee environment that is competitive and appealing, it could have an adverse effect on engagement and retention. Our revenues, results of operations and financial condition could be adversely affected if we are unable to manage employee hiring and attrition to achieve a stable and efficient workforce structure.

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

Risks Related to Our Operations

If we do not effectively improve our administrative, operational and financial processes and systems to manage our business operations, the value of our shareholders' investment may be harmed.

To effectively manage our business operations, we will be required to continuously develop and improve our administrative, operational and financial processes. As a result of our growing operations, we face and expect to continue to face challenges such as:

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

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

We are subject to a variety of federal, state, local and international laws, rules ,and regulations, as well as industry standards, internal and external privacy policies and contractual obligations to third parties, relating to the collection, use, retention, security, disclosure, transfer, storage and other processing of personal information and other data. Most jurisdictions in which we operate have established their own data security and privacy legal framework with which we and our customers must comply.

For example, the EU has adopted the General Data Protection Regulation, or GDPR, which went into effect in May 2018, and together with national legislation, regulations and guidelines of the EU member states, contains numerous requirements relating to the processing of personal data of EU data subjects, including the increased jurisdictional reach of the European Commission, more robust obligations, additional requirements for data protection compliance programs by companies, and significantly increased fines and penalties and rights for data subjects to claim compensation. EU member states are tasked under the GDPR to enact, and have enacted, certain legislation that adds to or further interprets the GDPR requirements and potentially extends our obligations and potential liability for failing to meet such obligations. Among other requirements, the GDPR regulates transfers of personal data subject to the GDPR to countries outside the European Economic Area ("EEA") that have not been found to provide adequate protection to such personal data. The GDPR also introduced numerous privacy-related changes for companies operating in the EU, including greater control for data subjects (for example, the "right to be forgotten"), increased data portability for EU consumers, data breach notification requirements and increased fines. In particular, under the GDPR, fines of up to 20 million euros or 4% of the annual global revenue of the noncompliant company, whichever is greater, could be imposed for violations of certain of the GDPR's requirements. Such penalties are in addition to any civil litigation claims by customers and data subjects.

Data processing in the United Kingdom is governed by a U.K. version of the GDPR (combining the GDPR and the Data Protection Act 2018) ("UK GDPR"), with fines and enforcement mechanisms similar to those of the GDPR. In 2021, the European Commission issued an adequacy decision, pursuant to which personal data generally may be transferred from the EU to the U.K. without restriction; however, this adequacy decision must be renewed after it is in place for four years and is subject to modification or revocation in the interim. There also will be increasing scope for divergence in application, interpretation, and enforcement of data protection law between the U.K. and EEA.

Other jurisdictions in which we operate, including China, Singapore, the Philippines, Hong Kong, Canada, and Australia, have enacted robust legal regimes relating to privacy, data protection, and data security, many of which provide for significant penalties and other sanctions for noncompliance. Certain of these regimes, including, without limitation, the GDPR and UK GDPR, provide for restrictions on transferring data outside of those jurisdictions to many other jurisdictions. The regulatory framework relating to cross-border data transfer has evolved significantly in recent years. For example, in 2020, the European Court of Justice ("CJEU"), struck down the EU-U.S. Privacy Shield framework, which provided companies with a mechanism to comply with data protection requirements when transferring personal data from the EEA to the United States ("U.S."). In the same decision, the CJEU imposed additional obligations on companies when relying on standard contractual clauses approved by the European Commission for use in legitimizing personal data transfers from the EEA to the U.S. The European Commission and U.K. Information Commissioner's Office since have issued new standard contractual clauses that account for the CJEU's 2020 decision, with companies relying on that transfer mechanism required to put them in place. Several of the other laws and regulations enacted in recent years also provide for restrictions on cross-border data transfers, and some of these regimes provide for data localization, under which certain data is required to be maintained within the applicable country. We may be required to take additional steps to address data localization and data transfer issues, including engaging in additional contract negotiations and implementing additional data storage or processing infrastructure, and be subject to increasing costs of compliance and limitations on our customers and us. Additionally, current or modified laws or regulations relating to data transfers and data localization, and related developments, including legal challenges and judicial decisions, may serve as a basis for our data handling practices, or those of our customers and service providers, to be challenged, and may otherwise adversely affect our business, financial condition and results of operations.

In the U.S., privacy laws continue to evolve and could require us to modify our data processing practices and policies and expose us to further regulatory or operational burdens. For example, the California Consumer Privacy Act ("CCPA"), took effect in January 2020. The CCPA imposes obligations on companies that process California residents' personal information, including obligations to provide certain disclosures to such residents, and creates new consumer rights, including relating to the access to, deletion of and sharing of personal information collected by covered businesses. The CCPA provides for civil penalties for violations, as well as a private right of action for certain data breaches that result in the loss of personal information. This private right of action may increase the likelihood of, and risks associated with, data breach litigation. Additionally, a new privacy law, the California Privacy Rights Act ("CPRA"), was approved by California voters in the November 3, 2020 election. Effective starting January 1, 2023, the CPRA significantly modified the CCPA and created a new state agency that will be vested with authority to implement and enforce the CCPA and the CPRA. Numerous other states have proposed, and in certain cases enacted, legislation similar to the CCPA and CPRA. The U.S. federal government also is contemplating federal privacy legislation.

Furthermore, India passed the Digital Personal Data Protection Act in August 2023 (the "**DPDP Act**"), the country's first comprehensive data protection law, the impacts of which potentially may be far-ranging and impactful upon our business, and which is anticipated to provide for substantial penalties. The DPDP Act will come into effect on such date as India's central government may determine, with different dates of effectiveness determined for different provisions. We expect the DPDP Act to add additional complexity, variation in requirements, restrictions and potential legal risk, require additional investment of resources in compliance programs, and could result in increased compliance costs or changes in business practices and policies.

As a general matter, the laws, rules, regulations, standards, and other actual and asserted obligations relating to privacy, data protection and data security to which we may be subject, or that otherwise apply to our business, are constantly evolving, and we expect that there will continue to be new proposed laws, regulations, and industry standards concerning these matters in India, the EU, the U.K., the U.S., and other jurisdictions in which we operate, both general and in relation to technological and other developments, including AI (and including, in particular, the EU's AI Act), the use of algorithms and automated decision making, digital identity, and blockchain technologies. We also anticipate remaining to be subject to related contractual obligations that may be burdensome and which, in many cases, may provide for liability that is unlimited. We cannot fully predict the impact of laws, rules, and regulations, including those that may be modified or enacted in the future, or new or evolving industry standards, contractual obligations, or other actual or asserted obligations, relating to cybersecurity, privacy, or data protection or processing on our business or operations. These laws, regulations, standards, and obligations have required us to modify our relevant practices and policies and to incur substantial costs and expenses in an effort to comply, and we expect to continue to incur such costs and expenses in the future and anticipate finding it necessary or appropriate to further modify our relevant practices and policies. Any actual or perceived failure by us or our customers or service providers to comply with laws, regulations, rules, standards, contractual obligations, or other actual or asserted obligations to which we are or are alleged to be subject relating to privacy, data protection, or data security could result in claims, demands, and litigation from private parties and regulators, regulatory investigations and other proceedings, as well as significant damage to our reputation that could cause us to lose customers and harm our ability to gain new customers. These could result in substantial costs, diversion of resources, fines, penalties, and other damages, and harm to our customer relationships, our market position, and our ability to attract new customers. Any of these could harm our business, financial condition, and results of operations.

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

Considering the high business dependency on our information technology and digital infrastructure to interconnect offices, employee systems, partners and clients for day-to-day business operations, as well as hosting of data and service delivery, any potential cybersecurity or information security breach, incident, or event impacting the confidentiality, integrity and availability of this environment could lead to financial loss, disclosure, unavailability, loss, unauthorized use and other processing of data, reputational harm and customer loss, harm to our market position and ability to gain new customers, and legal claims, demands, and litigation, regulatory investigations and other proceedings, and fines, penalties, and other damages and liabilities, along with potential impacts to our relationships with our customers and partners.

Owing to the rise of connected devices, social media, transition to cloud and use of other emerging technologies and as cyberattacks are becoming increasingly sophisticated (e.g., deepfakes and AI generated social engineering) the risk of security incidents, phishing and cyberattacks has increased. We have in the past and may in the future be the target of security incidents, phishing and cyberattacks. The threat attack surface is evolving and increasing beyond the enterprise. Cybersecurity incidents, both actual and attempted, involving unauthorized access, ransomware and other malware, fraud, leakage, loss of and unauthorized use, alteration and other processing of personal and business data, denial of service and other attacks designed to disrupt systems, exploitation of security vulnerabilities and other weaknesses in systems or programs, errors, omissions, deliberate or accidental acts of our current or former employees, partners, third-party business providers or other stakeholders, both internal and external, are on the rise. Our internal security controls may not be able to keep pace with these evolving threats. Inadequate account security practices may also result in unauthorized access to confidential data. For example, system administrators or user life cycle management solutions may sometimes fail to timely remove employee account access. There may be vulnerabilities in open-source software incorporated into our offerings that may make our offerings susceptible to cyberattacks.

We face a number of threats to our data centers and networks such as unauthorized access, security breaches and incidents, and other system disruptions, including denial of service and other attacks. It is critical to our business that our infrastructure remains resilient and is perceived by customers to be secure. Despite our security measures, our infrastructure has been and may be vulnerable to attacks by hackers or other disruptive problems, including attacks for which no remedies are available with network security service providers. As an IT services provider, we are an attractive target of cyber-attacks designed to impede the performance of our products, penetrate our network security, the security of our internal systems, or that of our customers, misappropriate proprietary information, and/or cause interruption to our services. Geopolitical conflicts compound the risk, we and our third-party business providers may be vulnerable to a heightened risk of cybersecurity attacks, phishing and social engineering attacks, ransomware and other malware, hacking or similar attacks from any nation-state actors, including attacks that could materially disrupt our systems and operations, supply chain, and ability to sell and distribute our services. We can provide no assurance that our systems or data are or have been fully protected against third-party intrusions, viruses, ransomware or other malicious code, hacker attacks, information or data theft or other similar threats. Any third-party intrusions, viruses, ransomware or other malicious code, hacker attacks, security breaches or incidents, information or data theft, or similar attacks or threats against us and our systems and data, may have a material adverse effect on our business, financial condition and results of operations. Breaches of our security measures or accidental or unauthorized loss, unavailability, disclosure or dissemination or other processing of confidential customer data could expose us, our customers or the affected parties to a risk of loss, unavailability, or misuse of this information. We could be subject to claims, demands, and litigation, termination of contracts, and damages for non-compliance with our client’s information security policies and procedures. Many of our client agreements do not limit our potential liability for breaches of confidentiality. Security breach may trigger increase in costs of our ongoing efforts to implement and maintain cybersecurity measures and to detect and prevent security breaches and other security-related incidents, and could be required to incur additional costs in the event of actual or perceived security breaches or other security-related incidents, any of which would negatively affect our results of operations.

We cannot guarantee that any security measures that we or third parties on which we rely have implemented will be effective against current or future security threats, or that our systems and networks or those of such third parties have not been breached or otherwise compromised, or that they and any software in our or their supply chains do not contain bugs, vulnerabilities, or compromised code that could result in a breach of or disruption to our systems and networks or the systems and networks of third parties that support us or our products or services. If our security measures or those of third parties on which we rely are or are believed to be inadequate or breached or otherwise compromised as a result of third-party action, current or former employee or service provider negligence, error or malfeasance, product defects, phishing or other social engineering techniques, improper user configuration, or otherwise, and this results in, or is believed to result in, unauthorized access to or disclosure, modification, misuse, loss, corruption, unavailability, or destruction of our data or our customers’ data, or any other disruption of the confidentiality, integrity or availability of our or our customers’ systems or data, we could face claims, demands, and litigation by private parties, regulatory investigations and other proceedings, and incur significant liability to our customers and other parties, and our business, reputation, and competitive position may be harmed. Many of our employees have worked remotely in recent years and continue to do so. In order to better support employees working from home or in a hybrid working environment, we have taken steps to enhance our cybersecurity measures. These security control mechanisms may not always be successful, considering the complexity of the environments, inter-dependencies, sophisticated attack methodologies, highly dynamic heterogeneous systems, global digital presence, hosted both in the cloud and on premises, and work from home arrangements, and we may face increased risks of cyberattacks and security breaches and incidents in connection with remote work.

Furthermore, we could be subject to indemnity claims or other liabilities in connection with an actual or perceived security breach or incident, or other cybersecurity issue, that exceed our insurance coverage. We also cannot be certain that our insurance coverage will be adequate for data handling or data security liabilities actually incurred, that insurance will continue to be available to us on economically reasonable terms, or at all, or that any insurer will not deny coverage as to any future claim. The successful assertion of one or more large claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could have a material adverse effect on our business, including our financial condition, operating results, and reputation.

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

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

Larger projects may involve multiple engagements or stages, and there is a risk that a client may choose not to retain us for subsequent stages or may cancel or delay subsequent planned engagements. Further, we may not be able to sell additional services to existing clients. Such cancellations or delays make it difficult to plan for project resource requirements, and inaccuracies in such resource planning may have a negative impact on our profitability.

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

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

Our business depends on a strong brand and failing to maintain and enhance our brand would impact our ability to expand our business and may result in a decline in the share price of our equity shares and our ADSs.

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

Damage to our reputation or our brands may occur from, among other factors, data security breaches, compliance failures, or actions of partners or individual employees. The proliferation of social media may increase the likelihood, speed and magnitude of negative publicity. If our brands or reputation are damaged, it could negatively impact our revenues or margins, or our ability to attract the most highly qualified employees. Any negative media coverage, including social media, regardless of the accuracy of such reporting, may have an initial adverse impact on our reputation and investor confidence, resulting in a decline in the share price of our equity shares and our ADSs.

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

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

We may be unsuccessful in protecting our IP rights due to varying legal regimes and judicial systems. Unauthorized use of our IP may result in development of technology, products or services which compete with our products and services. We may also be subject to third-party claims of IP infringement.

Our IP rights are important to our business. We rely on a combination of patent, copyright and trademark laws, trade secrets, confidentiality procedures and contractual provisions to protect our IP. However, we cannot be certain that the steps we have taken will prevent unauthorized use of our IP. Furthermore, the laws of India do not protect proprietary rights to the same extent as laws in the United States. Therefore, our efforts to protect our IP may not be adequate. Our competitors may independently develop similar technology or duplicate our products or services. Unauthorized parties may infringe upon or misappropriate our products, services or proprietary information.

The misappropriation or duplication of our IP could disrupt our ongoing business, distract our management and employees, reduce our revenue and increase our expenses. The competitive advantage that we derive from our IP may also be diminished or eliminated. We may need to litigate to enforce our IP rights or to determine the validity and scope of the proprietary rights of others. Any such litigation could be time-consuming and expensive.

Although we believe that our IP rights do not infringe on the IP rights of any other party, infringement claims may be asserted against us in the future. Defending against these claims, even if not meritorious, could be expensive and divert our attention and resources from operating our company. If we become liable to third parties for infringing their IP rights, we could be required to pay a substantial damage award and be forced to develop non-infringing technology, obtain a license or cease selling the applications or products that contain the infringing technology. Further, we may be required to provide indemnification to clients for third-party breaches of IP pursuant to our contracts with such parties.

There can be no assurance that, as our business expands into new areas, we will be able to independently develop the technology necessary to conduct our business or that we can do so without infringing on the IP rights of others.

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

A significant element of our business strategy is to continue to leverage and expand our offshore development centers in Bengaluru, Chennai, Hyderabad, Kolkata, Pune, Delhi, Mumbai and other cities in India, as well as near-shore development centers outside of India. We believe that the use of a strategically located network of software development centers provides us with cost advantages, the ability to attract highly skilled personnel from various regions of India and the world, the ability to service clients on a regional and global basis and the ability to provide services to our clients 24 hours a day, seven days a week. Part of our service model is to maintain active voice and data communications between our main office in Bengaluru, our clients' offices, and our software development and support facilities. Although we maintain redundancy facilities and satellite communications links, any significant loss in our ability to transmit voice and data through satellite and telephone communications could result in a disruption in business, thereby hindering our performance or our ability to complete client projects on time. This, in turn, could lead to a reduction of our revenue.

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

Some of the regions that we operate in are prone to earthquakes, hurricanes, tsunamis, flooding and other natural disasters. In the event that any of our business centers are affected by such disasters, we may sustain damage to our operations and properties, suffer significant financial losses and be unable to complete our client engagements in a timely manner, if at all. Further, in the event of a natural disaster, we may also incur costs in redeploying personnel and property. In addition, if any such natural disaster occurs in any of the locations in which our significant clients are located, we face the risk that our clients may incur losses or sustained business interruption which may materially impair their ability to continue their purchase of our products or services. If our clients are required to make significant investments on climate friendly solutions, our clients may incur higher compliance costs, which may adversely impact their IT spending.

It may be difficult for you to enforce any judgment obtained in the United States against us, our directors or executive officers or our affiliates.

We are incorporated under the laws of India and many of our directors and executive officers reside outside the United States. A substantial portion of our assets and the assets of many of these persons are also located outside the United States. As a result, you may be unable to effect service of process upon us outside of India or upon such persons outside their jurisdiction of residence. In addition, you may be unable to enforce against us in courts outside of India, or against these persons outside the jurisdiction of their residence, judgments obtained in courts of the United States, including judgments predicated solely upon the federal securities laws of the United States.

We have been advised by our Indian counsel that the United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is possible that a court in India may not award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if it viewed the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the Foreign Exchange Management Act, 1999, to execute such a judgment or to repatriate any amount recovered.

Our stock price continues to be volatile.

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

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

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

There are risks associated with our outstanding and future indebtedness.

There can be no assurance that our business, results of operations and financial condition will not be adversely affected by our incurrence of indebtedness. Our ability to pay interest and repay the principal for our indebtedness is dependent upon our ability to manage our operations and generate sufficient cash flows to service such debt. In addition, the agreements that govern the terms of our indebtedness may contain a number of restrictive covenants imposing significant operating and financial restrictions. In the event that we fail in the future to make any required payment under the agreements governing our indebtedness or if we fail to comply with the financial and operating covenants contained in those agreements, we would be in default with respect to that indebtedness and the lenders could declare such indebtedness to be immediately due and payable, which could have an impact on our results of operations. There can be no assurance that we will be able to manage any of these risks successfully.

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

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

Risks Related to Legislation and Regulatory Compliance

Our global operations expose us to numerous and sometimes conflicting legal and regulatory requirements. Violation of these regulations could harm our business.

Since we provide services to clients throughout the world, we are subject to numerous, and sometimes conflicting, legal requirements on matters as diverse as import/export controls, content requirements, trade restrictions, tariffs, taxation, sanctions, government affairs, anti-corruption, anti-bribery, anti-money-laundering, anti-trust, whistle blowing, internal and disclosure control obligations, securities regulation, including ESG initiatives, data protection and privacy, labor relations, wage-and-hour standards, human rights and certain regulatory requirements that are specific to our clients' industries. Non-compliance with these regulations in the conduct of our business could result in fines, penalties, criminal sanctions against us or our officers, disgorgement of profits, prohibitions on doing business and adverse impact to our reputation. Gaps in compliance with these regulations in connection with the performance of our obligations to our clients could also result in exposure to monetary damages, fines and/or criminal prosecution, unfavorable publicity, restrictions on our ability to process information and allegations by our clients that we have not performed our contractual obligations. Many countries also seek to regulate the actions that companies take outside of their respective jurisdictions, subjecting us to multiple and sometimes competing legal frameworks in addition to our home country rules. Due to the varying degree of development of the legal systems of the countries in which we operate, local laws might be insufficient to defend us and preserve our rights. We could also be subjected to risks to our reputation and regulatory action on account of any unethical acts by any of our employees, partners or other related individuals.

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

We are subject to risks relating to compliance with a variety of national and local laws including multiple tax regimes, labor laws, and employee health, safety, wages and benefits laws. We may, from time to time, be subject to litigation or administrative actions resulting from claims against us by current or former employees individually or as part of class actions, including claims of wrongful terminations, discrimination, misclassification or other violations of labor law or other alleged conduct. We may also, from time to time, be subject to litigation resulting from claims against us by third parties, including claims of breach of non-compete and confidentiality provisions of our employees' former employment agreements with such third parties or claims of breach by us of their IP rights. Our failure to comply with applicable regulatory requirements could have a material adverse effect on our business, results of operations and financial condition.

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

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

There is increased focus on companies' ESG policies and initiatives, which include addressing risks arising out of climate change, water stress, environmental and community management practices, employee policies, cybersecurity and data privacy, anti-bribery and anti-corruption practices and compliance with relevant laws and regulations. Risks related to these factors, except those related to climate change, are covered elsewhere in this Annual Report. Risks related to environmental regulations and climate change are discussed herein.

In a market with heightened awareness of climate change, aligning business with the evolving trends is an important factor affecting the success of the Company. As a member of the global IT/digital supply chain, we are subject to strategic risks if our ESG goals on climate action are not aligned to the Paris Agreement on climate change.

Extreme weather events due to climate change can lead to business disruptions. There may be direct climate change impacts arising from (1) physical damage to our buildings, equipment and other physical assets, (2) infrastructure disruptions, such as to the transportation network and utilities in the cities where we operate, which may severely hamper business continuity and (3) impact on employee morale and productivity due to the direct and indirect effects of extreme weather events. Extreme weather events may cause intense flooding or water shortages in cities where we operate, high local temperatures due to the occurrence of urban heat islands, increase in food and commodity prices and increase in vector-borne diseases such as cholera or malaria. We operate in major urban areas, and operating risks include disruption of power and water supply due to extreme weather events, which may negatively affect business continuity.

We are subject to various federal, state, local and foreign laws relating to protection of the environment. We may incur substantial fines, civil or criminal sanctions, including fines and sanctions against our directors and officers, or third-party claims for property damage or personal injury if we are held liable under environmental laws and regulations. Implementing our ESG strategy requires a strong governance framework including responsible practices and commitment on business ethics, compliance, quality, transparency and anti-corruption. Any failure in governance, performance management or ESG strategy execution could lead to us being unable to meet our ESG goals, and any failure to achieve our commitments to various ESG initiatives, including our goals for sustainability and inclusion and diversity, could harm our reputation and adversely affect our client relationships, access to capital and long-term financial stability, or our ability to recruit and retain high quality talent efforts. Our current compliance with environmental laws and regulations is not expected to have a material adverse effect on our financial position, results of operations or competitive position.

Further, new laws, regulations, policies, and international accords relating to ESG matters, including sustainability, climate change, human capital, and diversity, are being developed and formalized in the U.S., Europe and elsewhere, which may require specific, target-driven frameworks or disclosure requirements. Standards for reporting ESG metrics, including ESG-related disclosures that are required by the SEC or other regulators, are complex and evolving, and the implementation and oversight of controls to comply with applicable reporting and disclosure standards could impose significant compliance costs.

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

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

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

Under the provisions of sections 115QA of the Income tax Act, the Company is liable to pay buyback tax at a rate of 20% (plus surcharge and cess), which will result in additional cash outflow in the year in which the Company carries out buyback.

We operate in jurisdictions that impose transfer pricing and other tax related regulations on us, and any changes in the regulations or failure to comply could materially and adversely affect our profitability.

We are required to comply with various transfer pricing regulations in India and other countries. Failure to comply with such regulations may impact our effective tax rates and consequently affect our net margins. Additionally, we operate in several countries and our failure to comply with the local tax regime may result in additional taxes, penalties and enforcement actions from local authorities. In the event that we do not properly comply with transfer pricing and tax-related regulations, our profitability may be adversely affected.

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

Taxation laws are susceptible to frequent changes. Increase in tax rates in any of the major countries that we operate in could materially affect our Effective Tax rates. For instance, the corporate tax rates in UK has been increased from 19% to 25% effective April 2023. The overall tax environment has made it increasingly challenging for multinational corporations to operate with certainty about taxation in many jurisdictions. The Organization for Economic Co-operation and Development (“**OECD**”), a global coalition of member countries, further developed a two-pillar plan to reform international taxation and implement a 15% global minimum tax on multinational corporate groups. The plan aims to prevent the proliferation of separate new digital taxes and to ensure a fairer distribution of profits among countries by creating a new global system to tax income based on the location of users, and to impose a floor on tax competition through the introduction of a global minimum tax. European Union member states agreed to implement the OECD’s global corporate minimum tax rate of 15%. Other countries are also actively considering changes to their tax laws to adopt certain parts of the OECD’s two-pillar framework. These changes may materially increase the level of income tax on our international profits.

In India, changes in taxation law are announced on an annual basis in February, when the Union Budget is presented. These changes in law may affect the accuracy of our estimated tax obligations, or the obligations of holders of our equity shares and ADSs. Significant judgment is required in determining our worldwide provision for income taxes and other tax liabilities. We are regularly under audit by tax authorities and those authorities may not agree with positions taken by us on our tax returns. Although we believe that our estimates are reasonable, there is no assurance that the final determination of tax audits or tax disputes will not be different from what is reflected in our historical income tax provisions and accruals.

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

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

- if the transaction consideration is paid in cash, up to 400% of the net worth of the acquiring company as per its latest audited financial statement; or
- if the acquisition is funded with cash from the acquiring company’s existing foreign currency accounts or with cash proceeds from the issue of American Depositary Receipts ("**ADRs**"), Global Depositary Receipts, External Commercial Borrowings or Foreign Currency Convertible Bonds.

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

Risks Related to the ADSs

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

We are incorporated in India, and a substantial portion of our assets and our employees are located in India. Consequently, our financial performance and the market price of our ADSs will be affected by political, social and economic developments affecting India, GoI policies such as taxation and foreign investment policies, GoI currency exchange control and changes in exchange rates and interest rates.

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

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

The GoI has notified implementation of the Depository Receipts Scheme, 2014, which permits liberalized rules for sponsored and unsponsored secondary market issue of depository receipts up to the sectorial cap of foreign investment as per the prescribed regulations. SEBI introduced a framework for issuance of depository receipts by companies listed or to be listed in India (“**DR Framework**”), through its circular dated October 10, 2019. The DR Framework, as amended from time to time, sets out requirements for issuance of depository receipts in addition to the requirements under the Companies Act, 2013 (as defined below) and rules thereunder, the Depository Receipts Scheme, 2014 and the foreign exchange regulations. Regulators like the RBI, Ministry of Corporate Affairs (“**MCA**”), Ministry of Finance and SEBI have also issued guidelines and regulations to operationalize the framework for issuance of depository receipts by listed entities. Further amendments and requirements may also be notified from time to time. Once the regulations are fully operationalized, our shares can be freely convertible into depository receipts, which would impact the share price and available float in the Indian stock exchanges as well as the price and availability of ADSs on the New York Stock Exchange (the “**NYSE**”).

Indian law imposes foreign investment restrictions that limit a holder’s ability to convert equity shares into ADSs, which may cause our ADSs to trade at a premium or discount to the market price of our equity shares.

Under certain circumstances, the RBI must approve the sale of equity shares underlying ADSs by a non-resident of India to a resident of India. The RBI has given general permission to effect sales of existing shares or certain other capital instruments of an Indian company by a resident to a non-resident, subject to certain conditions, including the price at which the shares may be sold. Additionally, except under certain limited circumstances, if an investor seeks to convert the Indian Rupee proceeds from a sale of equity shares in India into foreign currency and then repatriate that foreign currency from India, he or she will have to obtain additional approval from the RBI for each transaction. Required approval from the RBI or any other government agency may not be obtained on terms which are favorable to a non-resident investor or may not be obtained at all.

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

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

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

Our ADSs have at times traded at a significant premium to the trading prices of our underlying equity shares on Indian stock exchanges, but may not do so in the future.

In the past, our ADSs have at certain times traded at a premium to the trading prices of our underlying equity shares on Indian stock exchanges due to the relatively small portion of our market capitalization represented by ADSs, restrictions imposed by Indian law on the conversion of equity shares into ADSs, and the potential preference of some investors to trade securities listed on U.S. exchanges. The completion of any additional secondary ADS offering will increase the number of our outstanding ADSs. Further, the restrictions on the issuance of ADSs imposed by Indian law may be relaxed in the future, including by the Depository Receipts Scheme, 2014 and the DR Framework. Over a period of time, investor preferences may also change. Currently our ADSs do not trade at a premium to the trading prices of our underlying equity shares on Indian stock exchanges. However, in the future, if there is any premium of our ADSs as compared to the trading prices of our underlying equity shares on Indian stock exchanges, that premium may again be reduced or eliminated.

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

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

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

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

An investor in our ADSs may not be able to exercise preemptive rights for additional shares and may thereby suffer dilution of his or her equity interest in us.

Under the Companies Act, 2013, a company incorporated in India must offer its holders of equity shares preemptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless such preemptive rights have been waived by three-fourths of the shares voting on the resolution to waive such rights. Holders of ADSs may be unable to exercise preemptive rights for the equity shares underlying ADSs unless a registration statement under the Securities Act is effective with respect to such rights or an exemption from the registration requirements of the Securities Act is available. We are not obligated to prepare and file such a registration statement, and our decision to do so will depend on the costs and potential liabilities associated with any such registration statement, as well as the perceived benefits of enabling the holders of ADSs to exercise their preemptive rights, and any other factors we consider appropriate at the time. No assurance can be given that we would file a registration statement under these circumstances. If we issue any such securities in the future, such securities may be issued to JPMorgan Chase Bank, N.A. (the "**Depositary**"), which may sell such securities for the benefit of the holders of the ADSs. There can be no assurance as to the value, if any, the Depositary would receive upon the sale of such securities. To the extent that holders of ADSs are unable to exercise preemptive rights granted in respect of the equity shares represented by their ADSs, their proportional interests in the Company would be diluted.

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

At our request, the Depositary will mail to you any notice of shareholders' meeting received from us along with information explaining how to instruct the Depositary to exercise the voting rights of the securities represented by ADSs. If the Depositary receives voting instructions from you prior to such shareholders' meeting, relating to matters that have been forwarded to you, it will endeavor to vote the securities represented by your ADSs in accordance with such voting instructions. However, the ability of the Depositary to carry out voting instructions may be limited by practical and legal limitations and the terms of the securities on deposit. We cannot assure that you will receive voting materials in time to enable you to return voting instructions to the Depositary in a timely manner. Securities for which no voting instructions have been received will not be voted. There may be other communications, notices or offerings that we only make to holders of our equity shares, which will not be forwarded to holders of ADSs. Accordingly, you may not be able to participate in all offerings, transactions or votes that are made available to holders of our equity shares including share buyback programs in which the Company buys back equity shares. Because ADS holders may not directly participate in the share buyback program, a notice of such program must be mailed to all ADS holders in advance of the program in order to give the ADS holders who want to participate, the opportunity to convert their ADSs into equity shares.

We may be classified as a passive foreign investment company, which could result in adverse U.S. federal income tax consequence to U.S. holders.

Based on the current price of our ADSs and the composition of our income and assets, we do not believe that we are a Passive Foreign Investment Company ("**PFIC**") for U.S. federal income tax purposes for our current taxable year ended March 31, 2024. However, a separate determination must be made after the close of each taxable year as to whether we are a PFIC. We cannot assure you that we will not be a PFIC for any future taxable year. If we were treated as a PFIC for any taxable year during which a U.S. holder held an equity share or an ADS, certain adverse U.S. federal income tax consequences could apply to the U.S. holder. See "Taxation—Material United States Federal Tax Consequences—Passive Foreign Investment Company."

Generic Risks

If we fail to or are unable to implement and maintain effective internal controls over financial reporting, the accuracy and timeliness of our financial reporting may be adversely affected.

We are subject to reporting obligations under U.S. securities laws. The SEC, as required under Section 404 of the Sarbanes-Oxley Act of 2002, has adopted rules requiring every public company to include a report of management on the effectiveness of such company's internal control over financial reporting in its annual report. In addition, an independent registered public accounting firm must issue an attestation report on the effectiveness of the company's internal control over financial reporting.

We recognize that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and our management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. If we fail to maintain effective internal control over financial reporting in the future, we and our independent registered public accounting firm may not be able to conclude that we have effective internal control over financial reporting at a reasonable assurance level. This could in turn result in the loss of investor confidence in the reliability of our financial statements. Furthermore, we have incurred and anticipate that we will continue to incur considerable costs and use significant management time and other resources in an effort to comply with Section 404 and other requirements of the Sarbanes-Oxley Act. If we are not able to continue to meet the requirements of Section 404 in a timely manner or with adequate compliance, we might be subject to sanctions or investigation by the SEC, the NYSE or other regulatory authorities. Any such action could adversely affect the accuracy and timeliness of our financial reporting.

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

To comply with IFRS, management is required to make various accounting estimates, judgments and assumptions. The facts and circumstances on which management bases these estimates, judgments, assumptions, and management's judgment of the facts and circumstances, may change from time to time and this may result in significant changes in the estimates, with an impact on our assets or income. Current and future accounting pronouncements and other financial reporting standards may adversely affect the financial information we present. We regularly monitor our compliance with all of the financial reporting standards that are applicable to us and any new pronouncements that are relevant to us. Findings of our monitoring activity or new financial reporting standards may require us to change our internal accounting policies and to alter our operational policy so that it reflects new or amended financial reporting standards. We cannot exclude the possibility that this may have a material impact on our assets, liabilities, income, expenses or cash flows. For a summary of material accounting policies, refer to Note 3 of the Notes to the Consolidated Financial Statements section.

Compliance with new and changing corporate governance and public disclosure requirements adds uncertainty to our compliance policies and increases our costs of compliance.

Changing laws, regulations and standards relating to accounting, corporate governance and public disclosure, including the Sarbanes Oxley Act of 2002 (the "**Sarbanes Oxley Act**") , new SEC regulations, NYSE rules, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("**Insider Trading Regulations**"), the Indian Companies Act, 2013 ("**Companies Act, 2013**") and the Foreign Exchange Management Act, 1999 are creating uncertainty for companies like ours and adding complexity to our corporate compliance regime. These new or changed laws, regulations and standards may lack specificity and are subject to varying interpretations. Their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs of compliance as a result of ongoing revisions to such governance standards.

We are committed to maintaining high standards of corporate governance and public disclosure, and our efforts to comply with evolving laws, regulations and standards in this regard have resulted in, and are likely to continue to result in, increased general and administrative expenses and significant management time and attention. In addition, the new laws, regulations and standards regarding corporate governance may make it more difficult for us to obtain or maintain directors' and officers' liability insurance. Further, our board members, chief executive officer and chief financial officer could face an increased risk of personal liability in connection with the performance of their duties. As a result, we may face difficulties attracting and retaining qualified board members and executive officers, which could harm our business. In certain instances, the compliance requirements under the SEBI Listing Regulations, Companies Act, 2013, and the rules under the NYSE are more onerous than those under the Sarbanes-Oxley Act of 2002. For example, our Board of Directors is required to state that they have established internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively. Additionally, under the SEBI Listing Regulations, the Chief Executive Officer, the Managing Director or a full time director appointed under the Companies Act, 2013 and the Chief Financial Officer are required to certify to the board of directors of the Company (the "**Board**") that (i) they accept responsibility for establishing and maintaining internal controls for financial reporting, (ii) that they have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting, and (iii) they have disclosed to the auditors and the Audit Committee any significant changes in internal control over financial reporting during the year, instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

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

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

Global pandemics may have a significant adverse impact on our business and results of operations.

Global pandemics may cause significant loss of life and result in curtailment of economic activities across the world as local administrations and governments seek to limit spread of the disease, potentially through lockdown policies, restriction on business activities and business shutdowns. This may adversely impact the demand for our offerings, our service delivery and our business in certain sectors, countries and service offerings. Further, macroeconomic conditions caused by a pandemic may result in financial difficulties for our clients, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause clients to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables (including contract assets and unbilled receivables) and negatively impact our liquidity and cash generated from operations. A pandemic may impact our ability to deliver services to clients, and any volatile regional and global economic conditions stemming from a pandemic could materially adversely impact our business. If we are not able to respond to and manage the impact of such events effectively, our business or the price of our equity shares or ADSs may be adversely impacted.

Item 4. Information on the Company

Company Overview

Wipro Limited is a leading information technology ("**IT**") services and consulting company, focused on building innovative solutions that address clients' most complex digital transformation needs. From GenAI and immersive experiences to data, from silicon chip design to blockchain, our consultants, analysts, designers, and engineers work on solutions that unlock our clients' boldest ambitions.

With over 230,000 dedicated employees (including support functions) across six continents, we deliver on the promise of helping our customers, colleagues and communities thrive in an ever-changing world. Our transformation continues as we become an AI-first organization. Building on decade-long investments in AI, Wipro launched the ai360 innovation ecosystem, with responsible AI at the core. Investments focus on expanding AI, data, and analytics solutions, developing new R&D and platforms through Lab45, as well as enhancing FullStride Cloud and consulting capabilities.

History and Development of the Company

Wipro was incorporated on December 29, 1945, as Western India Vegetable Products Limited under the Indian Companies Act, VII of 1913, which was superseded by the Companies Act, 2013. Today, Wipro is a public limited company deemed to be registered under the Companies Act 2013, and is registered with the Registrar of Companies, Bengaluru, Karnataka, India as Company No. 20800. In 1946, we held our initial public offering in India of our equity shares. In October 2000, we raised capital in the initial U.S. public offering of ADSs that were listed on the NYSE. We are listed on the NSE and BSE in India and Wipro's ADSs are listed on the NYSE. Wipro is a constituent of the Nifty and the NYSE TMT Indices. Our registered office is in Bengaluru, India. The senior management operates from local offices in key regions of operations such as North America, Europe, the United Kingdom, Australia, Latin America and Asia as well as from Bengaluru, India.

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

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

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

The Spirit of Wipro is at our core, and it continues to guide our actions, fuel our passion for serving our customers, and encourage us to drive positive change in our world. We believe in exploring limitless possibilities when our customer's ambition meets the action of our innovative and talented workforce. These values are our bedrock. Our character and destinies are energized by our values:

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

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

- Being respectful;
- Being responsive;