

WIPRO LTD
Form 6-K
November 12, 2004

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER

Pursuant to Rule 13a-16 or 15d-16 of the Securities Exchange Act of 1934

For the quarter ended September 30, 2004

WIPRO LIMITED

(Exact name of Registrant as specified in its charter)

Not Applicable

(Translation of Registrant's name into English)

Karnataka, India

(Jurisdiction of incorporation or organization)

**Doddakannelli
Sarjapur Road
Bangalore, Karnataka 560035, India
+91-80-2844-0011**

(Address of principal executive offices)

Indicate by check mark if registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F

Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g-3-2(b) under the Securities Exchange Act of 1934.

Yes

No

If Yes is marked, indicate below the file number assigned to registrant in connection with Rule 12g 3-2(b)

Not applicable.

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CURRENCY OF PRESENTATION AND CERTAIN DEFINED TERMS

Unless the context otherwise requires, references herein to The Company or to Wipro are to Wipro Limited, a limited liability company organized under the laws of the Republic of India, and its subsidiaries. References to U.S. or United States are to the United States of America, its territories and its possessions. References to India are to the Republic of India. Wipro is a registered trademark of the company in India and the United States. All other trademarks or trade names used in this Quarterly Report on Form 6-K (Quarterly Report) are the property of their respective owners.

In this Quarterly Report, references to \$ or dollars or U.S. Dollars are to the legal currency of the United States, references to £ or Pound Sterling are to the legal currency of United Kingdom and references to Rs. or Rupees or Indian Rupees are to the legal currency of India. The Company's financial statements are prepared in accordance with United States generally accepted accounting principles (U.S. GAAP) and presented in Indian Rupees. The financial information is translated into U.S. Dollars for the convenience of the reader. Except as otherwise specified, financial information is presented in Rupees. References to a particular fiscal year are to the Company's fiscal year ended March 31 of such year.

Unless otherwise specified herein, financial information has been converted into dollars at the noon buying rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank (the Noon Buying Rate) as of September 30, 2004, which was Rs. 45.91 per \$1. For the convenience of the reader, this Quarterly Report contains translations of certain Indian rupee amounts into U.S. Dollars which should not be construed as a representation that such Indian Rupee or U.S. Dollar amounts referred to herein could have been, or could be, converted to U.S. Dollars or Indian Rupees, as the case may be, at any particular rate, or at all. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding.

Forward-Looking Statements May Prove Inaccurate

In addition to historical information, this quarterly report contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The forward-looking statements contained herein are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in the forward-looking statements. Factors that might cause such differences include but are not limited to, those discussed in the section entitled Management's Discussion and Analysis of Financial Condition and Results of Operations , Risk Factors and elsewhere in this report. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's analysis only as of the date hereof. In addition, readers should carefully review the other information in this quarterly report and in the company's periodic reports and other documents filed with the Securities and Exchange Commission (SEC) from time to time.

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**WIPRO LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in millions, except share data)**

	As of September 30,			As of March 31,
	2003	2004	2004	2004
	(unaudited)	(unaudited)	Convenience translation into US\$ (unaudited)	
ASSETS				
Current assets:				
Cash and cash equivalents (Note 4)	Rs. 2,154.61	Rs. 2,446.59	\$ 53.29	Rs. 3,297.16
Accounts receivable, net of allowances (Note 5)	7,836.75	12,126.03	264.13	10,972.94
Costs and earnings in excess of billings on contracts in progress	2,195.41	3,649.90	79.50	2,099.84
Inventories (Note 6)	1,933.54	1,293.92	28.18	1,438.19
Investments in liquid and short-term mutual funds (Note 8)	15,299.87	17,918.74	390.3	18,479.05
Deferred income taxes	241.27	226.15	4.93	279.37
Other current assets (Note 7)	3,085.60	2,596.86	56.56	4,772.08
	<hr/>	<hr/>	<hr/>	<hr/>
Total current assets	32,747.05	40,258.19	876.89	41,338.63
Property, plant and equipment, net (Note 9)	8,211.98	11,166.72	243.23	9,257.20
Investments in affiliates (Note 11)	481.19	673.56	14.67	619.56
Deferred income taxes	198.11	219.90	4.79	161.77
Intangible assets, net (Note 10)	384.48	403.99	8.80	222.86
Goodwill (Note 3,10)	5,432.74	5,487.48	119.53	5,368.70
Other assets (Note 7)	678.24	718.15	15.64	769.59
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	Rs. 48,133.79	Rs. 58,927.99	\$ 1,283.55	Rs. 57,738.31
	<hr/>	<hr/>	<hr/>	<hr/>
LIABILITIES AND STOCKHOLDERS EQUITY				
Current liabilities:				
Borrowings from banks (Note 15)	Rs. 403.63	Rs. 665.63	\$ 14.50	Rs. 969.05
Current portion of long-term debt	28.20			
Accounts payable	2,166.06	2,704.34	58.91	2,732.58
Accrued expenses	2,148.66	3,482.26	75.85	2,665.17
Accrued employee costs	1,632.82	3,061.37	66.68	2,012.47

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Advances from customers	1,027.24	1,087.28	23.68	962.75
Other current liabilities (Note 11)	981.09	3,180.94	69.29	1,348.41
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total current liabilities	8,387.70	14,181.82	308.9	10,690.43
Other liabilities	216.13	417.02	9.08	276.21
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	8,603.83	14,598.84	317.99	10,966.64
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Minority interest	289.14	822.39	17.91	407.92
Stockholders' equity:				
Equity shares at Rs. 2 par value: 750,000,000 shares authorized; Issued and outstanding: 698,277,456, 697,701,411 and 698,951,673 shares as of March 31, 2004 September 30, 2003 and 2004 (Note 17)	465.14	1,397.90	30.45	465.52
Additional paid-in capital (Note 21)	6,950.04	7,511.17	163.61	7,176.68
Deferred stock compensation (Note 21)	(25.07)	(43.25)	(0.94)	(9.88)
Accumulated other comprehensive income / (loss)	(44.50)	(1,753.76)	(38.20)	918.64
Retained earnings	31,895.29	36,394.78	792.74	37,812.87
Equity shares held by a controlled Trust: 3,943,530 , 3,910,830 and 3,945,780 shares as of March 31, 2004, September 30, 2003 and 2004 (Note 21)	(0.08)	(0.08)		(0.08)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total stockholders' equity	39,240.82	43,506.76	947.65	46,363.75
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and stockholders' equity	Rs. 48,133.79	Rs. 58,927.99	\$ 1,283.55	Rs. 57,738.31
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

See accompanying notes to the unaudited consolidated financial statements.

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WIPRO LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(in millions, except share data)

	Three months ended September 30,			Six months ended September 30,		
	2003	2004	2004	2003	2004	2004
	(unaudited)	(unaudited)	Convenience translation into US\$ (unaudited)	(unaudited)	(unaudited)	Convenience translation into US\$ (unaudited)
Revenues:						
Global IT Services and Products						
Services	Rs. 10,196.06	Rs. 14,835.68	\$ 323.15	Rs. 19,383.03	Rs. 28,373.55	\$ 618.03
Products	26.34	79.09	1.72	62.40	79.09	1.72
India and AsiaPac IT Services and Products						
Services	672.21	1,138.50	24.80	1,258.23	2,076.93	45.24
Products	1,258.77	1,959.42	42.68	1,993.04	3,576.27	77.90
Consumer Care and Lighting	862.61	1,109.67	24.17	1,644.15	2,136.19	46.53
Others	489.64	674.28	14.69	857.28	1,250.81	27.24
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Total	13,505.63	19,796.64	431.21	25,198.13	37,492.84	816.66
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Cost of revenues:						
Global IT Services and Products						
Services	6,608.38	9,268.86	201.89	12,360.68	17,604.44	383.46
Products	21.73	74.46	1.62	41.94	74.46	1.62
India and AsiaPac IT Services and Product						
Services	360.19	639.27	13.92	669.82	1,186.67	25.85
Products	1,106.50	1,773.58	38.63	1,757.74	3,249.29	70.78
Consumer Care and Lighting	563.21	709.28	15.45	1,058.63	1,349.29	29.39
Others	347.80	463.08	10.09	611.31	852.81	18.58
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Total	9,007.81	12,928.53	281.61	16,500.12	24,316.96	529.67
Gross profit	4,497.82	6,868.11	149.60	8,698.01	13,175.88	286.99
Operating expenses:						
Selling and marketing expenses	(1,313.12)	(1,315.72)	(28.66)	(2,625.80)	(2,616.86)	(57.00)
General and administrative expenses	(763.02)	(936.90)	(20.41)	(1,549.39)	(1,792.73)	(39.05)
Research and development expenses	(53.88)	(73.18)	(1.59)	(111.64)	(131.33)	(2.86)
Amortization of intangible assets (Note 10)	(79.76)	(49.78)	(1.08)	(155.89)	(99.41)	(2.17)
Foreign exchange gains/(losses), net	125.57	27.53	0.60	175.84	(440.39)	(9.59)
Others, net	21.17	25.06	0.55	52.31	31.91	0.70
Operating income	2,434.78	4,545.12	99.00	4,483.44	8,127.07	177.02
Loss on direct issue of stock by subsidiary (Note 3)		(196.16)	(4.27)	(176.00)	(196.16)	(4.27)
Other income, net (Note 18)	181.32	152.69	3.33	347.37	414.94	9.04
Equity in earnings/(losses) of affiliates (Note 13)	6.00	32.80	0.71	(47.94)	62.40	1.36
Income before income taxes and minority interest	2,622.10	4,534.45	98.77	4,606.87	8,408.25	183.15
Income taxes (Note 20)	(315.95)	(678.94)	(14.79)	(517.06)	(1,276.76)	(27.81)
Minority interest	(12.24)	(20.72)	(0.45)	(15.35)	(42.33)	(0.92)
Net income	Rs. 2,293.91	Rs. 3,834.79	\$ 83.53	Rs. 4,074.46	Rs. 7,089.16	\$ 154.41

Earnings per equity share:						
Basic	3.31	5.52	0.12	5.87	10.21	0.22
Diluted	3.29	5.48	0.12	5.85	10.14	0.22
Weighted average number of equity shares used in computing earnings per equity share:						
Basic	693,777,045	694,565,136	694,565,136	693,782,832	694,468,816	694,468,816
Diluted	693,777,045	696,889,088	696,889,088	693,782,832	696,270,795	696,270,795

See accompanying notes to the unaudited consolidated financial statements.

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as of er 30, ed)	<u>697,701,411</u>	<u>Rs.465.14</u>	<u>Rs.6,950.04</u>	<u>Rs.(25.07)</u>		<u>Rs. (44.50)</u>	<u>Rs.31,895.29</u>	<u>(3,910,830)</u>	<u>Rs.(0.08)</u>	<u>Rs.39</u>
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sation o e stock e plan, versals ed)			(9.26)	1.11						
ation o e stock e plan ed)				14.08						
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