

WIPRO LTD  
Form 6-K  
August 14, 2006

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

**FORM 6-K**  
**REPORT OF FOREIGN PRIVATE ISSUER**  
**Pursuant to Rule 13a-16 or 15d-16 of the Securities Exchange Act of 1934**  
**For the Quarter ended June 30, 2006**  
**Commission File Number 001-16139**

**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 - 560035, Karnataka, 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**

In this Quarterly Report references to U.S. or United States are to the United States of America, its territories and its possessions. References to India are to the Republic of India. References to U.K. are to the United Kingdom. Reference to \$ or US\$ or dollars or U.S. dollars are to the legal currency of the United States, references to £ or Sterling are to the legal currency of the United Kingdom and references to Rs. or Rupees or Indian rupees are to the legal currency of India. All amounts are in Rs. or in U.S. dollars unless stated otherwise. Our financial statements are presented in Indian rupees and translated into U.S. dollars and are prepared in accordance with United States Generally Accepted Accounting Principles ( U.S. GAAP ). References to Indian GAAP are to Indian Generally Accepted Accounting Principles. References to a particular fiscal year are to our fiscal year ended March 31 of such year.

All references to we , us , our , Wipro or the Company shall mean Wipro Limited and, unless specifically indicated otherwise or the context indicates otherwise, our consolidated subsidiaries. Wipro is a registered trademark of Wipro Limited in the United States and India. All other trademarks or trade names used in this Quarterly Report on Form 6K are the property of the respective owners.

Except as otherwise stated in this Quarterly Report, all translations from Indian rupees to U.S. dollars are based on the noon buying rate in the City of New York on June 30, 2006, for cable transfers in Indian rupees as certified for customs purposes by the Federal Reserve Bank of New York which was Rs. 45.87 per \$1.00. No representation is made that the Indian rupee amounts have been, could have been or could be converted into United States dollars at such a rate or any other rate. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding. Information contained in our website, www.wipro.com, is not part of this Quarterly Report.

**Cautionary Note Regarding Forward-Looking Statements**

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 A DIFFERENCE INCLUDE, BUT ARE NOT LIMITED TO, THOSE DISCUSSED IN THE SECTIONS ENTITLED RISK FACTORS AND MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS 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)**

	<b>2005</b>	<b>As of June 30, 2006</b>	<b>2006 Convenience translation into US\$ (Unaudited)</b>	<b>As of March 31, 2006</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>		
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents (Note 4)	Rs. 4,661.97	Rs. 4,347.37	\$ 94.78	Rs. 8,857.70
Investments in liquid and short-term mutual funds (Note 8)	27,195.94	35,978.88	784.37	30,328.42
Accounts receivable, net of allowances (Note 5)	15,088.49	21,739.35	473.93	20,593.11
Costs and earnings in excess of billings on contracts in progress	2,941.73	5,350.59	116.65	4,336.06
Inventories (Note 6)	1,582.44	2,307.37	50.30	2,064.61
Deferred income taxes	202.59	173.89	3.79	168.28
Other current assets (Note 7)	2,952.70	5,656.23	123.31	5,463.04
Total current assets	54,625.86	75,553.68	1,647.13	71,811.22
Property, plant and equipment, net (Note 9)	14,246.14	19,365.11	422.17	17,777.40
Investments in affiliates (Note 13)	825.49	1,108.45	24.16	1,043.09
Deferred income taxes	223.64	182.91	3.99	182.91
Purchase price pending allocation (Note 3)		1,149.04	25.05	
Intangible assets, net (Note 3, 10)	363.41	2,248.05	49.01	854.33
Goodwill (Note 3,10)	5,914.54	10,294.40	224.43	7,480.85
Other assets (Note 7)	857.76	1,342.67	29.27	1,243.98
Total assets	Rs. 77,056.84	Rs. 111,244.31	\$ 2,425.21	Rs. 100,393.78
<b>LIABILITIES AND STOCKHOLDERS EQUITY</b>				
Current liabilities:				
Borrowings from banks (Note 15)	Rs. 544.57	Rs. 725.78	\$ 15.82	Rs. 704.55
Accounts payable	2,944.33	3,945.23	86.01	4,145.96
Accrued expenses	4,366.98	7,305.98	159.28	6,600.63
Accrued employee costs	3,225.34	4,548.26	99.16	4,425.12
Advances from customers	1,430.81	1,648.50	35.94	1,616.26

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Other current liabilities (Note 11)	2,262.54	5,657.25	123.33	3,614.42
Total current liabilities	14,774.57	23,831.00	519.53	21,106.94
Deferred income taxes		272.84	5.95	127.46
Other liabilities	253.49	480.44	10.47	395.04
Total liabilities	15,028.06	24,584.28	535.96	21,629.44
Stockholders' equity:				
Equity shares at Rs. 2 par value:				
1,650,000,000 shares authorized; Issued and outstanding: 1,425,754,267, 1,409,742,406 and 1,431,992,871 and shares as of March 31, 2006, June 30, 2005 and 2006 (Note 16, 17)				
	1,409.74	2,863.99	62.44	2,851.51
Additional paid-in capital (Note 2, 22)	13,821.02	16,374.46	356.97	16,521.07
Deferred stock compensation (Note 2, 22)	(2,925.48)			(2,202.42)
Accumulated other comprehensive income	317.62	119.09	2.60	433.70
Retained earnings (Note 18)	49,405.96	67,302.57	1,467.25	61,160.56
Equity shares held by a controlled Trust: 7,869,060, 7,869,060 and 7,869,060 shares as of March 31, 2006, June 30, 2005 and 2006 (Note 22)				
	(0.08)	(0.08)	(0.00)	(0.08)
Total stockholders' equity	62,028.78	86,660.03	1,889.25	78,764.34
Total liabilities and stockholders' equity	Rs. 77,056.84	Rs. 111,244.31	\$ 2,425.21	Rs. 100,393.78

See accompanying notes to the consolidated financial statements.

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

	Three months ended June 30,		
	2005	2006	
	(unaudited)	(unaudited)	2006 Convenience translation into US\$ (unaudited)
Revenues:			
Global IT Services and Products			
IT Services	Rs. 15,601.83	Rs. 22,413.51	\$ 488.63
BPO Services	1,828.04	2,099.20	45.76
India and AsiaPac IT Services and Products			
Services	1,422.61	1,608.27	35.06
Products	1,989.74	2,747.91	59.91
Consumer Care and Lighting	1,322.27	1,649.99	35.97
Others	700.69	793.42	17.30
Total	22,865.18	31,312.30	682.63
Cost of revenues:			
Global IT Services and Products			
IT Services	9,842.84	14,617.39	318.67
BPO Services	1,472.27	1,493.24	32.55
India and AsiaPac IT Services and Products			
Services	850.41	891.19	19.43
Products	1,766.20	2,488.10	54.24
Consumer Care and Lighting	825.83	1,056.39	23.03
Others	524.92	635.46	13.85
Total	15,282.47	21,181.77	461.78
Gross profit	7,582.71	10,130.53	220.85
Operating expenses:			
Selling and marketing expenses	(1,640.05)	(2,036.47)	(44.40)
General and administrative expenses	(1,170.96)	(1,478.05)	(32.22)
Research and development expenses	(42.55)	(57.33)	(1.25)
Amortization of intangible assets	(14.54)	(53.50)	(1.17)
Foreign exchange gains/(losses), net	(148.23)	(18.76)	(0.41)
Others, net	18.76	22.84	0.50
Operating income	4,585.14	6,509.26	141.91
Other income, net (Note 19)	213.63	507.51	11.06
Equity in earnings/(losses) of affiliates (Note 13)	56.25	65.36	1.42
Income before income taxes, minority interest and cumulative effect of change in accounting	4,855.02	7,082.13	154.40

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principle					
Income taxes		(586.03)		(979.22)	(21.35)
Minority interest		(1.40)			
Income before cumulative effect of change in accounting principle (Note 2)		4,267.59		6,102.91	133.05
Cumulative effect of change in accounting principle (Note 2)				39.09	0.85
Net income	Rs.	4,267.59	Rs.	6,142.00	\$ 133.90
Earnings per equity share: (Note 23)					
Basic					
Income before cumulative effect of change in accounting principle		3.05		4.30	0.09
Cumulative effect of change in accounting principle				0.03	0.00
Net income		3.05		4.33	0.09
Diluted					
Income before cumulative effect of change in accounting principle		3.03		4.25	0.09
Cumulative effect of change in accounting principle				0.03	0.00
Net income		3.03		4.28	0.09
Weighted-average number of equity shares used in computing earnings per equity share:					
Basic		1,399,545,726		1,419,404,399	
Diluted		1,410,865,380		1,436,644,785	

See accompanying notes to the consolidated financial statements.



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**WIPRO LIMITED AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND COMPREHENSIVE INCOME  
(in millions, except share data)**

	Equity Shares		Additional Paid in Capital	Deferred Stock Compensation	Comprehensive Income	Accumulated Other Comprehensive Retained		Equity Shares held by a Controlled Trust	
	No. of Shares	Amount				Income	Income/(loss)	Earnings	No. of Shares
005	1,407,141,044	Rs. 1,407.14	Rs. 13,272.57	Rs. (3,185.14)		Rs. 96.09	Rs. 45,138.37	(7,893,060)	Rs. (0.08)
	2,601,362	2.60	633.35					24,000	
			(84.90)	74.96					
				184.70					
					Rs. 4,267.59		4,267.59		
					(4.59)				
					63.33				

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1,409,742,406    Rs. 1,409.74    Rs. 13,821.02    Rs. (2,925.48)

Rs. 317.62    Rs. 49,405.96    (7,869,060)    Rs. (0.08)    Rs.

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	Equity shares		Additional	Deferred	Comprehensive	Accumulated other	Retained	Equity shares held by a		
	No. of shares	Amount	paid in Capital	stock Compensation	Income	Comprehensive income / (loss)	Earnings	Controlled Trusts	No. of shares	Amount
As of March 31,	1,425,754,267	Rs. 2,851.51	Rs. 16,521.07	Rs. (2,202.42)		Rs. 433.70	Rs. 61,160.56	(7,869,060)		Rs. (0)
Preferred stock issued on										
issued (Note			(2,202.42)	2,202.42						
of change in (Note 2)			(39.09)							
shares on	6,238,604	12.48	1,895.85							
relating to contingent consideration (Note 2)			199.05							
income					Rs. 6,142.00		6,142.00			
expenses					60.32					
income, net					39.92					
cash flow from operations, net					(414.85)					
comprehensive income (audited)					(314.61)	(314.61)				
income					Rs. 5,827.39					
As of March 30, 2006	1,431,992,871	Rs. 2,863.99	Rs. 16,374.46			Rs. 119.09	Rs. 67,302.57	(7,869,060)		Rs. (0)

30, 2006

\$ 62.44 \$ 356.98

\$ 2.60 \$ 1,467.25

\$ 0