

WIPRO LIMITED - STANDALONE
AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2012

(₹ in millions, except share data, unless otherwise stated)

SI No.	PARTICULARS	Quarter ended			Nine months ended		Year ended March 31, 2012
		December 31 2012	September 30, 2012	December 31, 2011	December 31, 2012	December 31, 2011	
1	Income from operations						
	(a) Net sales/income from operations (net of excise duty)	92,717	90,158	83,595	270,739	233,125	316,829
	(b) Other operating income	909	662	938	3,032	2,989	3,707
	Total income from operations (net)	93,626	90,820	84,533	273,771	236,114	320,536
2	Expenses						
	(a) Cost of materials consumed	3,730	4,240	2,672	12,202	8,304	14,475
	(b) Purchase of stock-in-trade	7,935	7,050	9,536	22,455	27,548	32,086
	(c) Change in inventories of finished goods, work-in-progress and stock-in-trade	822	(448)	(133)	(131)	(152)	449
	(d) Employee benefits expense	40,724	39,878	35,021	119,788	98,115	133,115
	(e) Depreciation and amortisation expense	1,869	1,972	1,875	5,756	5,527	7,461
	(f) Sub contracting/technical fees/third party application	8,749	8,918	8,643	26,046	23,650	32,918
	(g) Other expenses	12,072	11,501	11,519	35,705	30,407	43,356
	Total expenses	75,901	73,111	69,133	221,821	193,399	263,860
3	Profit from operations before other income, finance costs and exceptional items (1 – 2)	17,725	17,709	15,400	51,950	42,715	56,676
4	Other income	2,181	4,971	(609)	7,101	1,819	8,567
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	19,906	22,680	14,791	59,051	44,534	65,243
6	Finance costs	800	718	775	2,629	2,539	6,057
7	Profit from ordinary activities after finance costs but before exceptional items (5 – 6)	19,106	21,962	14,016	56,422	41,995	59,186
8	Exceptional Items	–	–	–	–	–	–
9	Profit from ordinary activities before tax (7 – 8)	19,106	21,962	14,016	56,422	41,995	59,186
10	Tax expense	4,276	4,769	3,377	12,820	8,658	12,335
11	Net Profit from ordinary activities after tax (9 – 10)	14,830	17,193	10,639	43,602	33,337	46,851
12	Extraordinary items (net of tax expense)	–	–	–	–	–	–
13	Net Profit for the period (11 – 12)	14,830	17,193	10,639	43,602	33,337	46,851
14	Paid up equity share capital (Face value ₹ 2 per share)	4,925	4,923	4,916	4,925	4,916	4,917
15	Reserve excluding Revaluation Reserves as per balance sheet of the previous accounting year						238,608
16	<u>EARNINGS PER SHARE (EPS)</u>						
	<i>(i) Before extraordinary items</i>						
	Basic (in ₹)	6.04	7.01	4.34	17.78	13.61	19.13
	Diluted (in ₹)	6.04	7.00	4.34	17.76	13.59	19.09
	<i>(ii) After extraordinary items</i>						
	Basic (in ₹)	6.04	7.01	4.34	17.78	13.61	19.13
	Diluted (in ₹)	6.04	7.00	4.34	17.76	13.59	19.09
A	Public shareholding ⁽¹⁾						
1	Number of shares	491,988,307	491,618,005	470,623,574	491,988,307	470,623,574	488,910,535
	Percentage of holding	19.98%	19.97%	19.15%	19.98%	19.15%	19.88%
2	Promoters and promoter group shareholding						
	(a) Pledged/Encumbered						
	– Number of shares	Nil	Nil	Nil	Nil	Nil	Nil
	– Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
	– Percentage of shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil	Nil
	(b) Non-encumbered						
	– Number of shares ⁽²⁾	1,927,880,883	1,927,880,883	1,945,693,763	1,927,880,883	1,945,693,763	1,927,880,883
	– Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
	– Percentage of shares (as a % of the total share capital of the Company)	78.29%	78.31%	79.15%	78.29%	79.15%	78.41%

⁽¹⁾ Public shareholding as defined under clause 40A of the listing agreement (excludes shares beneficially held by promoters and holders of American Depository Receipt).

⁽²⁾ Includes 206,030,453 (March 31, 2012 : 206,030,453; September 30, 2012: 206,030,453 December 31, 2011: 10,843,333) equity shares on which Promoter does not have beneficiary interest.

Status of redressal of Complaints received for the period October 1, 2012 to December 31, 2012						
Sl No.	Nature of the complaint	Nature	Opening balance as at October 1, 2012	Complaints received during the quarter	Complaints disposed during the quarter	Unresolved as at December 31, 2012
1	Non-Receipt of Securities	Complaint	–	1	1	–
2	Non Receipt of Annual Reports	Complaint	–	8	8	–
3	Correction/Duplicate/Revalidation of dividend warrants	Request	–	160	160	–
4	SEBI/Stock Exchange Complaints	Complaint	–	–	–	–
5	Non Receipt of Dividend warrants	Complaint	–	27	27	–
	TOTAL		–	196	196	–

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

1. The above audited interim financial results for the quarter and nine months ended December 31, 2012 have been approved by the Board of Directors of the Company at its meeting held on January 18, 2013. The statutory auditors have expressed an unqualified audit opinion.
2. The audited interim financial results have been prepared from the audited condensed interim financial statements as at and for the quarter and nine months ended December 31, 2012. The financial statements are prepared in accordance with Generally Accepted Accounting Principles in India (GAAP) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured on a fair value basis. GAAP comprises Accounting Standards specified in the Companies (Accounting Standards) Rules, 2006, Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and other generally accepted accounting principles in India.
3. The total income from operations (net) represents the aggregate revenue and includes foreign exchange gains / (losses), net, of ₹ 665, ₹ 478 and ₹ 887 for the quarter ended December 31, 2012, September 30, 2012 and December 31, 2011, respectively, ₹ 2,550 and ₹ 2,812 for the nine months ended December 31, 2012 and 2011, respectively and ₹ 3,451 for the year ended March 31, 2012 respectively. Foreign exchange gain / (losses), net, are also included in the segment revenues for the respective periods.
4. The Company has applied the principles of AS 30, as per announcement by ICAI except to the extent such principles of AS 30 does not conflict with existing accounting standards prescribed by Companies (Accounting Standards) Rules, 2006 and other authoritative pronouncements.

The Company has designated USD 262 Million [March 31, 2012: USD 262 Million] and Euro 40 Million [March 31, 2012: Euro 40 Million] of derivative contracts as hedges of its net investments in non-integral foreign operations. The Company has also designated a yen-denominated foreign currency borrowing amounting to JPY 16.5 Billion [March 31, 2012: JPY 16.5 Billion], along with a floating for floating Cross-Currency Interest Rate Swap (CCIRS), as a hedging instrument to hedge its net investment in a non-integral foreign operation. Further, the Company has also designated yen-denominated foreign currency borrowing amounting to JPY 8 Billion [March 31, 2012: JPY 8 Billion] along with floating for fixed CCIRS as cash flow hedge of the yen- denominated borrowing and also as a hedge of net investment in a non-integral foreign operation. As equity investments in non-Integral foreign subsidiaries / operations are stated at historical cost, the changes in fair value of forward contracts, the yen-denominated foreign currency borrowing and the related CCIRS amounting to gain / (loss) of ₹ (1,116) , ₹ 1,699 and ₹ (2,290) for the quarter ended December 31, 2012, September 30, 2012 and December 31, 2011 respectively, ₹ (1,761) and ₹ (3,960) for the nine months ended December 31, 2012 and 2011 respectively and ₹ (2,787) for the year ended March 31, 2012 has been recorded in the statement of profit and loss.

As of December 31, 2012 the Company has recognized losses of ₹ 837 [March 31, 2012: ₹ 2,047] relating to derivative financial instruments that are designated as effective cash flow hedges in the shareholders' fund.

The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding as at:

<i>(In Millions)</i>		
Particulars	As at Dec 31, 2012	As at March 31, 2012
Designated derivative instruments		
Sell	\$ 702	\$ 1,081
	£ 50	£ 4
	¥ 310	¥ 1,474
	AUD 2	AUD -
	€ 120	€ 17
Non designated derivative instruments		
Cross currency swaps	¥ 31,511	¥ 31,511
Sell	\$ 1,156	\$ 1,103
	AUD 45	AUD 31
	£ 68	£ 58
	€ 83	€ 84
Buy	\$ 635	\$ 555
	¥ 425	¥ 1,997

5. Employees covered under Stock Option Plans and Restricted Stock Unit (RSU) Option Plans are granted an option to purchase shares of the Company at the respective exercise prices, subject to requirements of vesting conditions. These options generally vest over a period of five years from the date of grant. Upon vesting, the employees acquire one equity share for every option. The maximum contractual term for aforementioned stock option plans is generally 10 years.

The stock compensation cost is computed under the intrinsic value method and amortized on a straight line basis over the total vesting period. The Company has granted 4,915,150, Nil and 10,000 options under RSU Options Plan during the quarter ended December 31, 2012, September 30, 2012 and December 31, 2011, respectively 4,915,150 and 40,000 options for the nine months ended December 31, 2012 and 2011, respectively and 40,000 options for the year ended March 31, 2012. The Company has recorded stock compensation expense of ₹ 247, ₹ 212 and ₹ 187 for the quarter ended December 31, 2012, September 30, 2012 and December 31, 2011 respectively, ₹ 632 and ₹ 699 for the nine months ended December 31, 2012 and 2011, respectively and ₹ 878 for the year ended March 31, 2012.

6. On November 1, 2012, the Board of Directors' of the Company has approved a scheme of demerger effective April 1, 2012 ('Scheme') to demerge the consumer care and lighting, infrastructure engineering businesses and other non IT business of the Company (collectively, the "Diversified Business"). The Scheme envisages the transfer of the Diversified Business to a "Resulting Company" whose equity shares are not listed in any stock exchange in India or abroad. The Resulting Company, at the option of the shareholder, issues either its equity or redeemable preference shares in consideration of the demerger to each shareholder of the Company on a proportionate basis. The Scheme also provides an option for the public shareholders to exchange equity shares of the Resulting Company for the listed shares in the Company held by the promoter group. The Scheme will become effective only after the approvals of authorities inter-alia stock exchanges, shareholders and creditors of the Company are received and followed by the sanction of the Honorable High Court.

Given below are the results of the Diversified Business included in the results of the Company for each of the periods represented:

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2012	September 30, 2012	December 31, 2011	December 31, 2012	December 31, 2011	March 31, 2012
Revenue from operations (net)	8,031	8,112	9,363	23,974	24,536	32,606
Profit before tax	1,177	1,183	812	3,358	1,985	2,716
Tax expense	235	295	186	697	404	424
Profit after tax	942	888	626	2,661	1,581	2,292

7. The segment information for the quarter ended December 31, 2012 is as follows:

₹ in Million

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2012	September 30, 2012	December 31, 2011	December 31, 2012	December 31, 2011	March 31, 2012
Revenues						
IT Services	76,364	74,956	65,599	224,619	183,188	252,780
IT Products	8,987	7,573	8,176	24,687	26,548	34,972
Consumer Care and Lighting	5,805	5,675	5,235	17,085	14,743	20,204
Others	2,305	2,515	4,225	7,087	9,916	12,572
Eliminations	(80)	(83)	(123)	(189)	(247)	(248)
TOTAL	93,381	90,636	83,112	273,289	234,148	320,280
Profit before Interest and Tax - PBIT						
IT Services	16,705	16,751	12,963	49,196	38,125	54,702
IT Products	138	23	342	191	893	1,200
Consumer Care and Lighting	812	649	615	2,086	1,597	2,236
Others	70	285	112	477	312	(1,462)
TOTAL	17,725	17,708	14,032	51,950	40,927	56,676
Interest and Other Income, Net	1,381	4,254	(15)	4,472	1,069	2,510
Profit before tax	19,106	21,962	14,017	56,422	41,996	59,186
Income Tax expense	(4,276)	(4,769)	(3,377)	(12,820)	(8,658)	(12,335)
PROFIT AFTER TAX	14,830	17,193	10,640	43,602	33,338	46,851
Capital Employed						
IT Services and Products	108,263	111,430	106,051	108,263	106,051	107,478
Consumer Care and Lighting	3,330	3,489	3,172	3,330	3,172	3,266
Others	234,550	214,355	181,485	234,550	181,485	185,584
TOTAL	346,143	329,274	290,708	346,143	290,708	296,328

Notes to Segment Report

- a) The Company is currently organized by business segments, comprising IT Services, IT Products, Consumer Care and Lighting and Others. Business segments have been determined based on system of internal financial reporting to the Board of Directors and Chief Executive Officer and are considered to be primary segments. The secondary segment is identified based on the geographic location of the customer.

IT Services: The IT Services segment provides IT and IT enabled services to customers. Key service offering includes software application development, application maintenance, research and development services for hardware and software design, data center outsourcing services and business process outsourcing services.

IT Products: The IT Products segment sells a range of Wipro personal desktop computers, Wipro servers and Wipro notebooks. The Company is also a value added reseller of desktops, servers, notebooks, storage products, networking solutions and packaged software for leading international brands. In certain total outsourcing contracts of the IT Services segment, the Company delivers hardware, software products and other related deliverables. Revenue relating to these items is reported as revenue from sale of IT Products.

Consumer care and lighting: The Consumer Care and Lighting segment manufactures, distributes and sells personal care products, baby care products, lighting products and hydrogenated cooking oils in the Indian and Asian markets.

The Others' segment consists of business segments that do not meet the requirements individually for a reportable segment as defined in AS 17 Segment Reporting and includes corporate and treasury.

Segment Revenue, Segment Results, Segment Capital employed includes the respective amounts identifiable to each of the segment. Segment revenue resulting from business with other business segments are on the basis of market determined prices and common costs are apportioned on a reasonable basis.

b) For the purpose of segment reporting, the Company has included the impact of “foreign exchange gains/ (losses), net in revenues which are reported as part of Other Income in the Financial Statements. Segment PBIT includes ₹ 244, ₹ 182 and ₹ 51 for the quarter ended December 31, 2012, September 30, 2012 and December 31, 2011, respectively, ₹ 482 and ₹ 177 for the nine months ended December 31, 2012 and 2011, respectively and ₹ 256 the year ended March 31, 2012 of certain operating other income which is reflected in Other Income in the Financial Statements.

c) The above segment disclosure is as per the requirements specified in AS 25, *Interim Financial Reporting*.

8. On January 18, 2013, the Board of Directors of the Company declared an interim dividend of ₹ 2 (\$0.04) per equity share and ADR (100% on an equity share of par value of ₹ 2).
9. Corresponding figures for previous periods presented have been regrouped, where necessary, to conform to the current period’s classification.

Place: Bangalore
Date: January 18, 2013

By order of the board,

Azim H Premji
Chairman