



FOR IMMEDIATE RELEASE

Results for the Quarter ended September 2002 under Consolidated Indian GAAP
Wipro's Revenue up 21%; Strong volume growth in IT Services

Bangalore, October 18 2002 –Wipro Limited today announced its audited results approved by the Board of Directors for the quarter ended September 2002.

Highlights of results:

- Revenue for the quarter was Rs. 10.6 billion, an increase of 21% year on year and Profit After Tax for the quarter was Rs. 2.2 billion, an increase of 2% year on year. Revenue¹ from continuing operations for the six-month period was Rs. 19.9 billion, an increase of 21% year on year. Profit After Tax² for the six-month period was Rs.4.0 billion.
- Wipro Technologies Revenue for the quarter increased 19% year on year to Rs.6.8 billion.
- Wipro Technologies Profit Before Interest and Tax (PBIT) at Rs.2 billion was 30% of Revenue.
- 30 new customers added in Global IT Services during the quarter, including seven that are on the Fortune 1000 list.
- Wipro Spectramind recorded Revenue of Rs. 421 million and PBIT of Rs. 87 million at 21% of Revenue.

Outlook for the Quarter ending December 2002

Azim Premji, Chairman of Wipro commenting on the results said, "A challenging global business environment has made India-based Offshore initiatives a key priority for global corporations. Wipro is well positioned to take advantage of this opportunity with its wide range of Offshore services offerings for enterprise clients and its depth of R&D skills for the technology clients. We should see the momentum in volume growth of the last two quarters continue. For the quarter ending December 2002, we estimate the Revenue in our Global IT Services business to be approximately at \$152 million, in Wipro Spectramind to be approximately at \$12.5 million and in Healthcare and Life Science business at approximately \$3.5 million."

Vivek Paul, Vice Chairman and CEO of Wipro Technologies, our Global IT business, added, "The sequential Revenue growth of 11% in dollar terms was primarily driven by a 12% growth in volume. We see pricing pressures flattening. Business traction continues from both new as well as existing clients. We acquired 30 new clients, seven of whom were in the Fortune 1000 list, and won two orders for total product ownership from our existing R&D clients during the quarter. The integration of Wipro Spectramind is on plan and the results of the combined offerings are already visible in the client traction we see in the market place. During the quarter Wipro Spectramind has signed letters of intent with four new clients, including one for business process outsourcing."

¹ Excluding Revenues of Rs. 38 million for the six-months ended September 2002 from discontinued ISP business. Corresponding Revenue for the six-months ended September 30, 2001 was Rs. 310 million

² Excluding loss (net of tax) of Rs. 394 million for the six-month period ended September 2002 pertaining to discontinued ISP business which includes loss from operations (net of tax) of Rs. 106 million (previous period – Rs.33 million) and loss on write off of assets and exit costs of Rs. 288 million of the discontinued business

Wipro Limited

Revenues for the quarter ended September 30, 2002, were Rs.10.6 billion, a growth of 21% year on year. Profit After Tax was Rs. 2.2 billion, representing an increase of 2% over Profit After Tax for the same period last year. Revenues¹ for the six-months ended September 30, 2002, were Rs.19.9 billion, representing a 21% increase over the previous year. Profit after Tax² for the six-month period was Rs. 4.0 billion.

Wipro Technologies – Our Global IT business

Wipro Technologies accounted for 64% of the Revenue and 85% of the PBIT for the quarter ended September 30, 2002. Wipro Technologies grew its Revenue by 19% year on year to Rs. 6.8 billion and PBIT by 6% to Rs. 2.0 billion.

Operating Margin to Revenue was 30%, a decline of 1% sequentially and 4% year on year. Sequentially, increase in utilization of IT professionals by 1% to 67% was partially offset by price realization decline of 2.7% for offshore projects and 0.1% for onsite projects. Year on year, increase in IT professional utilization by 7% to 67% was offset by decrease in price realizations of 7.2% for Offshore projects and 8.6% for Onsite projects.

For the quarter ended September 30, 2002, the Enterprise Solutions practice contributed 60% of Revenue while the R&D Services practice the balance 40%. The proportion of Global IT Services Revenues from North America increased to 65% during the quarter from 55% a year ago. Correspondingly, the proportion of Revenue from Europe declined to 29% from 39% for the quarter ended September 30, 2001. Japan contributed 6% for the quarter ended September 30, 2002.

Our largest customer, top 5 and top 10 customers accounted for 8%, 25% and 39%, respectively, of our Global IT Services Revenue for the quarter ended September 30, 2002, as compared to 8%, 30% and 44% of our Global IT Services Revenue for the quarter ended September 30, 2001. 30 new clients were added in the quarter ended September 30, 2002, of which 7 customers are represented on the Fortune 1000 companies list. New customers added in current fiscal year contributed 6% of total Revenue for the quarter ended September 30, 2002.

Customers with annual Revenue run rate of \$1 million and above increased to 93 in the quarter ended September 30, 2002, up from 81 in the quarter ended September 30, 2001. Customers with annual Revenue run rate of \$5 million and above increased to 27 in the quarter ended September 30, 2002, up from 24 in the quarter ended September 30, 2001.

Offshore Revenue for the quarter was 48% of services Revenue, the same proportion as for the quarter ended September 30, 2001. Fixed Price projects were at 34% of the Revenue for the quarter, up from 27% for the quarter ended September 2001.

Gross recruitment for the quarter was 1270 employees. We had 11,298 employees as of September 30, 2002, which represents an increase of 753 employees from June 30, 2002.

¹ Excluding Revenues of Rs. 38 million for the six-months ended September 2002 from discontinued ISP business. Corresponding Revenue for the six-months ended September 30, 2001 was Rs. 310 million

² Excluding loss (net of tax) of Rs. 394 million for the six-month period ended September 2002 pertaining to discontinued ISP business which includes loss from operations (net of tax) of Rs. 106 million (previous period – Rs.33 million) and loss on write off of assets and exit costs of Rs. 288 million of the discontinued business

Wipro Spectramind – Our IT Enabled Services business

After the acquisition of majority stake by Wipro, the results of Spectramind e-Services Pvt. Ltd. are now consolidated with that of Wipro Limited effective July 1, 2002, and it is being reported as a separate business segment – IT Enabled Services (Wipro Spectramind). During the quarter, Wipro Spectramind signed Letter of Intent with 4 new customers. The number of active customers during the quarter was 8 as compared to 7 for the quarter ended June 30, 2002. The total number of employees was 3198 as on September 30, 2002, an increase of 460 employees from June 30, 2002.

Wipro Spectramind recorded Revenue of Rs. 421 million with PBIT of Rs. 87 million. PBIT to Revenue was 21% for the quarter.

Wipro Healthcare and Life Science business

For the quarter ended September 30, 2002, Wipro Healthcare and Life Science business segment recorded Revenue of Rs. 248 million and achieved break-even. IT-related services to global clients accounted for 32% of Revenue and 21% of Revenue was contributed by Wipro Healthcare IT Ltd. (formerly GE Medical Systems IT Pvt. Ltd). The balance 47% of Revenue is from products and services relating to medical and diagnostic equipments in India.

Wipro Infotech – Our India & Asia Pacific IT Services & Products business

Wipro Infotech recorded Revenues of Rs 2.2 billion and Profit before Interest and Tax of Rs 118 Million for the quarter. For the six-month period ended September 30, 2002, Revenues were Rs 4.1 billion and Profit before Interest and Tax was Rs 205 Million.

Services Revenue was 25% of the total Revenue for the quarter ended September 30, 2002. The value added services (excluding agency income and product component from system integration) grew by 27% year on year. In Software Services, our wins include an ERP implementation order from Riyadh Pharma, a leading pharmaceutical corporation in Saudi Arabia. In infrastructure management services, our wins include a contract from Dubai Municipality for providing IT operations management services. Colgate Palmolive India chose Wipro Infotech as its technology partner and signed a long-term services contract.

During the quarter, Wipro Infotech won customer recognition as the IT brand of the year by PC Quest in its User's Choice survey. Wipro Infotech also received recognition from its principals – Gold Partner Certification from Cisco Systems and Sunshine Award in the Diamond Category for South Asia from Sun Microsystems. Products Revenues grew 19% year on year, contributed by growth in the Enterprise server and storage products

Wipro Consumer Care & Lighting

Wipro Consumer Care and Lighting business recorded Revenue of Rs. 735 million with PBIT of Rs. 110 million contributing 7% of total Revenue and 5% of the Profit before Interest and Taxes for the quarter. PBIT to Revenue was 15% for the quarter.

Wipro Limited

For the quarter ended September 30, 2002, the Return on Capital Employed in Wipro Technologies was 90%, Wipro Infotech was 33% and Consumer Care and Lighting was 66%. At the Company level, the Return on Capital Employed was 31%, lower due to inclusion of cash and cash equivalents of Rs. 14 billion in Capital Employed (46% of Capital Employed).

For Wipro Limited, Profit after Tax from continuing operations computed in accordance with US GAAP for the quarter ended September 2002 was Rs. 2.13 billion, an increase of 3% over the profits for the corresponding quarter ended September 2001. The net difference between profits computed in accordance with Indian GAAP and US GAAP is primarily due to different Revenue recognition standards, amortization of intangibles arising from acquisition and accounting for deferred stock compensation expenses.

Quarterly Conference call

Wipro will hold conference calls today at 11:45 AM Indian Standard Time (2:15 AM Eastern Time) and at 7:00 PM Indian Standard Time (9:30 AM Eastern) to discuss the company's performance for the quarter and answer questions sent to email ID: Lakshminarayana.lan@wipro.com. An audio recording of the management discussions and the question and answer session will be available online and will be accessible in the Investor Relations section of the company website at www.wipro.com shortly after the live broadcast.

US GAAP financials on website

Condensed financial statements of Wipro Limited computed under the US GAAP along with individual business segment reports are available in the Investor Relations section at www.wipro.com.

Contact for Investor Relation

K R Lakshminarayana
Manager - Treasury
Phone: ++91-80-844-0079
Fax: ++91-80-844-0051
lakshminarayana.lan@wipro.com

Contact for media & Press

Vijay K Gupta
Vice President -Corporate Communications
++91-80-844-0076
++91-80-844-0350
vijayk.gupta@wipro.com

Forward looking and cautionary statements

Certain statements in this release concerning our future growth prospects and our ability to successfully complete and integrate potential acquisitions are forward looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding our ability to integrate and manage acquired IT professionals, our ability to integrate acquired assets in a cost effective and timely manner, fluctuations in earnings, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, , liability for damages on our service contracts, the success of the companies in which Wipro has made strategic investments, withdrawal of fiscal governmental incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry. Additional risks that could affect our future operating results are more fully described in our filings with the United States Securities and Exchange Commission. These filings are available at www.sec.gov. Wipro may, from time to time, make additional written and oral forward looking statements, including statements contained in the company's filings with the Securities and Exchange Commission and our reports to shareholders. Wipro does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.

(In Rupees Millions)

WIPRO LIMITED – Consolidated
AUDITED SEGMENT WISE BUSINESS PERFORMANCE FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2002

	Global IT Services & Products	IT enabled services	India & Asiapac IT Services & Products	Consumer Care & Lighting	Wipro Healthcare & Life Sciences	Others	Continuing Operations	Discontinued ISP Business	Wipro Limited
Revenue									
External Sales & Services	6,791	421	2,156	735	248	270	10,621	-	10,621
Internal Sales & Services	-	-	46	-	-	(46)	-	-	0
Total	6,791	421	2,202	735	248	224	10,621	-	10,621
Growth in revenues	19%		17%	(5%)	82%		23%	-	21%
% of total revenues	64%	4%	21%	7%	2%	2%		-	-
Profit before Interest and tax (PBIT)	2,042	87	118	110	0	33	2,390	(35)	2,355
Growth in PBIT	6%		(9%)	0%	-	-	10%	-	10%
% of total PBIT	85%	4%	5%	5%	0%	1%	-	-	100%
Operating margins	30%	21%	5%	15%	-	-	23%	-	22%
Interest income (net of interest expense Rs.6 mn)							165	-	165
Profit before Tax							2,555	(35)	2,520
Income Tax expense							(320)	13	(307)
Profit before extraordinary items							2,235	(22)	2,213
Growth							2.5%		2.3%
<i>Discontinuance of ISP business (refer note 9)</i>							-	17	17
Profit before equity in earnings / (losses) of affiliates & minority interest							2,235	(5)	2,230
Equity in earnings affiliates							(5)		(5)
Minority interest							(21)		(21)
Profit After Tax							2,209	(5)	2,204
Growth							1%		2%
Other Information									
Net fixed assets	4,549	598	348	413	31	932	6,871	34	6,905
Trade receivables	4,560	336	2,226	149	252	142	7,665	23	7,688
Cash balances/Investments	1,072	109	83	176	31	12,933	14,404	-	14,404
Other assets	2,047	133	856	324	145	1,330	4,835	4	4,839
Goodwill	-	3,561	-	-	148	18	3,727	-	3,727
Current Liabilities	(2,751)	(232)	(2,223)	(424)	(231)	(400)	(6,261)	(211)	(6,472)
Capital employed	9,477	4,505	1,290	638	376	14,955	31,241	(150)	31,091
% of capital employed	30%	14%	4%	2%	1%	49%	-	-	100%
Capital expenditure	374	147	33	2	4	4	-	-	564
Depreciation	242	42	42	16	3	19	-	-	364
Annualized Return on average capital employed from continuing business	90%	-	33%	66%	-	-	-	-	31%

1. The segment report of Wipro Limited and its consolidated subsidiaries and associates has been prepared in accordance with the Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India.
2. The Company has three geographic segments; India, USA and Rest of the World. Significant portion of the segment assets are in India. Revenue from geographic segments based on domicile of the customers is outlined below:

Geography	Rs. Mn
India	3,277
USA	4,739
Rest of the World	2,605
Total	10,621

3. For the purpose of reporting, business segments are considered as primary segments and geographic segments are considered as secondary segment.
4. In accordance with Accounting Standard 21 " Consolidated Financial Statements " issued by the Institute of Chartered Accountants of India, the consolidated financial statements of Wipro Limited include the financial statements of all subsidiaries which are more than 50% owned and controlled.
5. The company has a 49% equity interest in Wipro GE Medical Systems Limited (WGE), a joint venture with General Electric, USA. The joint venture agreement provides specific rights to the joint venture partners. The rights conferred to Wipro are primarily protective in nature. Therefore, in accordance with the guidance in Accounting Standard 27 " Financial Reporting of Investments in Joint Ventures" the investments in Wipro GE have been accounted for by equity method and not by proportionate consolidation method.
6. In accordance with the guidance provided in Accounting Standard 23 " Accounting for Investments in Associates in Consolidated Financial Statements" WeP Peripherals have been accounted for by equity method of accounting.
7. Acquisition of Spectramind

In July 2002, the Company acquired controlling equity interest in Spectramind e Services Private Limited ("Spectramind"), a leading IT-enabled service provider in India providing remote processing services to large global corporations in the US, UK, Australia and other developed markets. The shares and warrants acquired, together with shares previously held by the Company, represent 89% of the outstanding shares of Spectramind. The aggregate purchase price for the acquisition, including the cost of acquisition of the shares previously held by the Company, was Rs. 4,177 Mn. In September 2002, the company acquired an additional 3% of the outstanding shares for Rs 170 Mn. The results of operations of Spectramind are consolidated in the Company's financial statements from July 1, 2002.

The Company has also entered into a call and put option arrangement with the management team and employees of Spectramind to acquire the unvested options. The put and call option can be exercised, at the fair market value, during the six month period commencing from 190 days from the date of exercise of the options.

The excess of consideration paid over the book value of assets acquired has been recognized as goodwill. The details of consideration paid, book value of assets acquired and goodwill arising from the acquisition is outlined below:

	<i>Rs. Mn</i>
Cash and bank balances	161
Net current assets	693
Minority interest	(68)
Goodwill	3,561
	4,347

8. Acquisition of GE Medical Systems Information Technologies Limited (GEMSIT)

In August 2002, Wipro Limited acquired 60% equity interest in GE Medical Systems Information Technologies Limited (GEMSIT), an India based company engaged in the development of health care related software, and the technology rights in the business of GEMSIT from GE group for a consideration of Rs.181 Mn.

Wipro has also entered into an agreement to acquire the 40% equity interest held by Citadel Health Limited for a consideration of US\$2 million. The transaction is subject to certain closing precedents and has not yet been consummated.

The excess of consideration paid over the book value of assets acquired has been recognized as goodwill. The details of consideration paid, book value of assets acquired and goodwill arising from the acquisition is outlined below:

	<i>Rs. Mn</i>
Cash and bank balances	35
Current assets	19
Minority interest	(22)
Goodwill	148
	180

9. The Company was engaged in the business of providing corporate ISP services. Based on a review of this business, the company decided to discontinue the existing infrastructure based ISP business, but continue with the managed network and remote management services. Managed network and remote management services are currently being offered as part of total IT solutions. In June 2002, the management formally approved a plan to discontinue the infrastructure based corporate ISP services. The costs associated with the discontinuance including asset impairment charges and other exit costs have been reflected as extraordinary expenses.

The customers are being transitioned to an independent service provider. The consideration payable by the service provider to the Company is dependent on the occurrence of certain contingent events. The total consideration received is Rs. 25 Mn and is adjusted against the extraordinary loss arising out of the same.

In addition deferred consideration is receivable based on revenue generated by transferred customers over one year period. Such consideration will be determined only at a future date and will be accounted on crystallization.

10. In the earnings release made by the Company on July 19, 2002 for the three months ended June 30, 2002, the Company had recorded its share of interest of Wipro GE based on the information provided by affiliate. Subsequently, Wipro has received revised information about the affiliate where the losses were higher than those previously reported by Rs. 380 Mn. This adjustment to record incremental losses of Rs. 186 Mn, being Wipro's share, has been recorded in the consolidated financial statements for six months period ended September 30, 2002.

(In Rupees Millions)

WIPRO LIMITED – Consolidated
AUDITED SEGMENT WISE BUSINESS PERFORMANCE FOR THE SIX MONTHS PERIOD ENDED SEPTEMBER 30, 2002

	Global IT Service s & Products	IT enabled services	India & Asiapac IT Services & Products	Consumer Care & Lighting	Wipro Healthcare & Life Sciences	Others	Continuing Operations	Discontinued ISP Business	Wipro Limited
Revenue									
<i>External Sales & Services</i>	13,073	421	4,018	1,465	409	499	19,885	38	19,923
Internal Sales & Services	-	-	91	-	-	(91)	-	-	0
Total	13,073	421	4,109	1,465	409	408	19,885	38	19,923
Growth in revenues	20%		19%	(5%)	38%		21%	-	19%
% of total revenues	66%	2%	21%	7%	2%	2%			
Profit before Interest and tax (PBIT)	4,021	87	205	239	(13)	39	4,578	(168)	4,410
Growth in PBIT	5%		(2%)	16%	-	-	8%	-	5%
% of total PBIT	88%	2%	4%	5%	0%	1%			
Operating margins	31%	21%	5%	16%	-	-	23%	-	22%
Interest income (net of interest expense Rs.14 mn)							307	-	307
Profit before Tax							4,885	(168)	4,717
Income Tax expense							(611)	62	(549)
Profit before extraordinary items							4,274	(106)	4,168
Growth							(1.4%)		(3.2%)
<i>Discontinuance of ISP business (net of tax benefit of Rs.94 mn) (refer note 9)</i>							-	(288)	(288)
Profit before equity in earnings / (losses) of affiliates & minority interest							4,274	(394)	3,880
Equity in earnings affiliates							(211)		(211)
Minority interest							(24)		(24)
Profit After Tax							4,039	(394)	3,645
Growth							(7%)		(15%)