

WIPRO LIMITED
BALANCE SHEET AS AT DECEMBER 31, 2000
(in rupees thousands)

	Schedule	As of December 31,		As of March 31,
		2000	1999	2000
SOURCES OF FUNDS				
Shareholders' funds				
Share Capital	1	464,784	708,313	708,313
Reserves and Surplus	2	17,283,958	6,300,263	6,994,576
Share application monies pending allotment		12,938		
		17,761,680	7,008,576	7,702,889
Loan Funds				
Secured loans	3	329,996	1,577,489	492,319
Unsecured loans	4	43,671	32,486	86,669
		373,667	1,609,975	578,988
Total		18,135,347	8,618,551	8,281,877
APPLICATION OF FUNDS				
Fixed Assets				
Gross block	5	8,266,040	6,558,454	6,757,891
Less : Depreciation		3,483,177	2,831,670	2,928,679
<i>Net Block</i>		4,782,863	3,726,784	3,829,212
Capital work-in-progress and advance for Capital expenditure		1,003,708	692,401	708,824
		5,786,571	4,419,185	4,538,036
Investments	6	5,978,805	641,946	446,298
Current assets, loans and advances				
Inventories	7	1,294,878	1,687,265	1,340,159
Sundry Debtors	8	5,305,213	4,170,878	4,469,381
Cash and bank balances	9	2,358,578	317,483	747,290
Loans and advances	10	2,339,149	1,183,366	1,226,562
		11,297,818	7,358,992	7,783,392
Current liabilities and provisions				
Liabilities	11	4,421,470	3,482,864	4,047,587
Provisions	12	506,377	318,708	438,262
		4,927,847	3,801,572	4,485,849
Net Current Assets		6,369,971	3,557,420	3,297,543
Total		18,135,347	8,618,551	8,281,877

Significant accounting policies and notes to accounts

19

As per our report attached
For N M Raiji & Co.,
Chartered Accountants

For and on behalf of the Board of Directors

Azim Hasham Premji (Chairman and Managing Director)

Hamir K Vissanji (Director)

J M Gandhi
Partner

N Vaghul (Director)

Suresh C Senapaty
(Corporate Executive Vice President - Finance)

Satish Menon
(Corporate Vice President- Legal & Company Secretary)
Bangalore, January 19, 2001

Bangalore, January 19, 2001

WIPRO LIMITED
PROFIT AND LOSS ACCOUNT
(in rupees thousands)

	Schedule	Nine Months ended December 31,		Year ended
		2000	1999	March 31,
				2000
INCOME				
Sales and Services		21,326,970	15,345,491	22,735,614
Other Income	13	427,950	218,844	257,307
		21,754,920	15,564,335	22,992,921
EXPENDITURE				
Cost of goods sold	14	12,838,301	10,356,747	15,203,909
Selling, general and administrative expenses	15	3,755,939	2,754,766	3,995,654
Interest on borrowings	16	59,506	241,846	286,682
		16,653,746	13,353,359	19,486,245
PROFIT BEFORE TAXATION AND NON RECURRING / EXTRAORDINARY ITEMS		5,101,174	2,210,976	3,506,676
Provision for taxation		596,475	170,210	501,000
PROFIT AFTER TAX BEFORE NON-RECURRING / EXTRAORDINARY ITEMS		4,504,699	2,040,766	3,005,676
Non recurring / extraordinary items	18	-	414,895	523,091
PROFIT FOR THE PERIOD		4,504,699	1,625,871	2,482,585

Appropriations

Interim Dividend on Preference Shares		18,043		25,625
Interim Dividend on Equity Shares				68,747
Corporate tax on dividend		1,985		10,392
Profit & Loss balance carried forward		4,484,671	1,625,871	
Transfer to general reserve				2,377,819

Significant accounting policies and notes to accounts 19

As per our report attached
For N M Rajji & Co.,
Chartered Accountants

J M Gandhi
Partner

For and on behalf of the Board of Directors

Azim Hasham Premji (Chairman and Managing Director)

Hamir K Vissanji (Director)

N Vaghul (Director)

Suresh C Senapaty
(Corporate Executive Vice President - Finance)

Satish Menon
(Corporate Vice President- Legal & Company Secretary)

Bangalore, January 19, 2001

Bangalore, January 19, 2001

(in rupees thousands, except share numbers)

	As on		As on March
	December 31, 2000	1999	31, 2000
SCHEDULE 1 SHARE CAPITAL			
Authorised			
375,000,000 Equity shares of Rs 2 each (2000 , 1999 : 235,000,000 equity shares of Rs 2 each)	750,000	470,000	470,000
2,500,000 (2000 , 1999 : 2,500,000) 10.25 % Redeemable Cumulative Preference Shares of Rs 100 each	250,000	250,000	250,000
	1,000,000	720,000	720,000
Issued, subscribed and paid-up			
232,391,814 equity shares of Rs 2 each (2000 , 1999 : 229,156,350) Nil (2000, 1999: 2,500,000) 10.25 % Redeemable Cumulative Preference Shares of Rs 100 each	464,784	458,313	458,313
	-	250,000	250,000
	464,784	708,313	708,313

Notes :

1. Of the above equity shares :

- 226,905,825 equity shares of Rs 2 (2000 : 226,905,825, 1999 : 226,905,825), have been allotted as fully paid bonus shares by capitalisation of Share Premium of Rs 32,639 and General Reserves of Rs 421,173.
- 1,325,525 equity shares of Rs 2 (2000 : 1,325,525, 1999 : 1,325,525) have been allotted as fully paid-up, pursuant to a scheme of amalgamation, without payment being received in cash
- 3,162,500 shares representing 3,162,500 American Depository Receipts issued pursuant to American Depository offering by the Company

2. Preference shares were fully redeemed in December 2000.

SCHEDULE 2 RESERVES AND SURPLUS

	As of April 1, 2000	Additions	Deductions	As of December 31, 2000
Capital Reserves	114,047	750 (a)	-	114,797
	166,047			166,047
	166,047	-	52,000 (b)	114,047
Capital Redemption Reserve	38	250,000 (c)	-	250,038
	38			38
	38	-	-	38
Share Premium		6,148,971 (d)	273,429 (e)	5,875,542
Revaluation Reserve	1,047,110	-	71,579 (f)	975,531
	1,110,455		57,710	1,052,745
	1,110,455	-	63,345	1,047,110
Debenture Redemption Reserve	-	-	-	-
	6,666			6,666
	6,666	-	6,666 (g)	-
Investment Allowance Reserve	14,500	-	-	14,500
	15,022			15,022
	15,022	-	522 (g)	14,500
Profit & Loss account	-	4,484,669	-	4,484,669
	-	1,625,872	-	1,625,872
General Reserve	5,818,881		250,000 (c)	5,568,881
	3,464,230		30,357 (i)	3,433,873
	3,464,230	2,385,008 (h)	30,357	5,818,881
	6,994,576	10,884,390	595,008	17,283,958
	4,762,458	1,625,872	88,067	6,300,263
TOTAL	4,762,458	2,385,008	152,890	6,994,576

Corresponding figures for the previous periods ended December 31, 1999 and March 31, 2000 are given below current periods figures

a) Capital subsidy received

b) Transfer to Profit and Loss account

c) Transfers from General Reserve

d) Rs. 6,069,878 pursuant to exercise of Stock Options granted under Wipro Employee Stock Option Plan Rs.79,093 on issue of 3,162,500 equity shares pursuant to American Depository Offering by the Company.

e) Expenses incurred in connection with American Depository Offering by the Company.

Underwriting Commission 273,429

Printing 16,213

Legal and Professional 32,054

Travel 3,064

Others 50,684

Less: Reimbursements 102,015

273,429

f) Transfer to Profit and Loss account Rs 30,853 (2000 : Rs 45,546, 1999 : Rs 42,583) and reduction on account of sale of revalued assets and other adjustments Rs 40,726 (2000 : Rs 17,799, 1999 : Rs 15,127)

g) Transfers to general reserve

h) Transfer from Profit and Loss account Rs Nil (2000 : Rs 2,377,820) Debenture Redemption

Reserve Rs nil (2000 : Rs 6,666, 1999 : Rs Nil) and Investment allowance reserve Rs Nil (2000 : Rs 522, 1999 : Rs Nil).

i) Deficit arising on account amalgamation of Wipro Computers Limited with Wipro Limited, reduced from general reserve (refer note 7).

WIPRO LIMITED
(in rupees thousands)

SCHEDULE 3 SECURED LOANS	Notes	As on		Year ended
		December 31,		March 31,
		2000	1999	2000
Debentures	a	-	6,667	
From banks				
Line of credit from consortium of banks	b	28,523	1,018,033	96,091
External Commercial Borrowings	c	194,698	368,491	269,453
From Financial Institutions				
Asset Credit Scheme	d	68,200	88,200	88,200
Term Loans	e	36,900	94,249	36,900
Development Loan from Government of Karnataka	f	1,675	1,675	1,675
Others		-	174	-
		329,996	1,577,489	492,319

Notes :

- a. Rs 20,000 18.5% non-convertible debentures redeemable in three equal annual installments which commenced on March 23, 1998 and 5% premium paid on March 23, 2000. The above debentures are secured / to be secured by a second charge on the movable and immovable assets of the company except book debts.
- b. Secured by hypothecation of stock-in trade, book debts, stores and spares, and secured/to be secured by a second mortgage over certain immovable properties.
- c. Foreign currency loan secured by hypothecation of movable fixed assets in certain software development centres at Bangalore and specific plant and machinery of Fluid power unit.
- d. Secured by hypothecation of specific machinery / assets.
- e.
 - i. Rs Nil (2000 : Rs Nil, 1999 : Rs 14,849) secured by first mortgage on immovable properties and hypothecation of movable assets except book debts of the lighting unit.
 - ii. Rs Nil (2000: Rs Nil, 1999 : Rs Nil) secured by first mortgage on immovable properties and hypothecation of movable fixed assets of the plant at Hindupur.
 - iii. Rs Nil(2000 : Rs Nil, 1999 : Rs 12,500) secured by hypothecation of movable fixed assets in certain software development centres in Bangalore and Hyderabad.
 - iv. Rs 16,600 (2000 : Rs 16,600, 1999 : Rs 31,600) Secured / to be secured by a pari passu second mortgage on all immovable properties.
 - v. Rs 20,300 (2000: Rs 20,300 , 199: Rs 35,300) secured by a first charge on certain movable properties at Bangalore.
 - vi. Rs Nil (2000 : Rs Nil, 1999 : Nil) Secured by a pari passu charge on immovable and movable properties at the lighting unit and a first charge on immovable properties both present and future of certain software development centres.
- f. Secured by a pari passu second mortgage over immovable properties at Mysore and hypothecation of movable properties other than inventories , book debts and specific equipments referred to in Note b above.

SCHEDULE 4 UNSECURED LOANS	As on		Year ended
	December 31,		March 31,
	2000	1999	2000
Fixed Deposits	886	891	886
Short Term Loans and advances			
From Banks			
Others			49,692
Other loans and advances			
Interest free loan from government	41,535	30,345	34,841
Loans from state financial institutions	1,250	1,250	1,250
	43,671	32,486	86,669

(in rupees thousands)

SCHEDULE 5 FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
	As on April 1, 2000	Additions	Deductions / adjustments	As on Dec 31, 000	As on April 1, 2000	Depreciation for the period	Deductions / adjustments	As on Dec 31, 2000	As on Dec 31, 2000	As on March 31, 2000
Land	377,335	152,312	7,800	521,847	352	38	-	390	521,457	376,984
Buildings	1,300,495	340,602	90,843	1,550,254	131,832	18,508	6,096	144,244	1,406,010	1,168,663
Railway siding	4,000	-	-	4,000	3,599	-	-	3,599	401	401
Plant and Machinery	4,197,214	1,016,935	155,384	5,058,765	2,402,625	552,897	115,140	2,840,382	2,218,383	1,794,589
Furniture fixture and equipment	651,714	220,315	30,342	841,687	274,865	92,444	10,561	356,748	484,939	376,849
Vehicles	217,729	83,571	14,889	286,411	110,738	34,994	9,987	135,745	150,666	106,991
Technical Know-how	9,382	-	6,306	3,076	4,647	350	2,928	2,069	1,007	4,735
Patents and trade marks	21	-	21	0	21	-	21	-	-	-
Total	6,757,891	1,813,735	305,583	8,266,040	2,928,679	699,231	144,733	3,483,177	4,782,863	3,829,212
March 31,2000	5,615,301	1,330,736	188,147	6,757,890	2,330,326	744,089	145,736	2,928,679	3,829,212	3,284,975

- a. The fixed assets of the Company were revalued as at March 31, 1997, at depreciated replacement values based on valuation by an independent firm of chartered surveyors and valuers. The depreciated replacement values were arrived on the basis of market values, present condition and balance expected useful life of the asset. Where relevant, Indices published by the Reserve Bank of India and confederation of Indian industry were used in the valuation. The following amounts were added to the fixed assets on revaluation.

	Gross Block	Depreciation Block	Net Block	Revalued Net Block
Land	123,532	-	123,532	166,097
Buildings (including tenancy rights)	685,341	37,541	647,800	791,034
Railway siding	3,988	2,988	1,000	1,000
Plant and Machinery	771,697	245,576	526,121	1,644,994
Furniture fixture and equipment				128,543
Vehicles				84,405
Technical Know-how	(7,302)	(7,360)	58	2,808
Patents and trade marks				1
Total	1,577,256	278,745	1,298,511	2,818,882

- b. Additions to gross block and deductions / adjustments of depreciation block include Rs Nil (2000, 1999 : Rs 28,270 and Rs 10,643) respectively of assets of Wipro Computers Limited taken over on amalgamation. (refer note 7)
- c. Land includes leasehold land Rs 11,817 (2000 : Rs 11,817, 1999 : Rs 11,817)
- d. Buildings :
- includes shares worth Rs 2 (2000 : Rs 2, 1999: Rs 2)
 - includes leasehold land property Rs 4,241 (2000 : Rs 4,241, 1999 : Rs 4,241)
 - is net of depreciation during construction period.
- e. Gross block includes assets acquired on hire purchase Rs 13,195 (2000 : Rs 13,195, 1999 : Rs 13,195)
- f. Additions include Rs Nil (2000 : Rs 10,774 , 1999 : Rs 8,984) of difference in exchange / forward contract premium on foreign currency borrowings utilised for acquisition of fixed assets.
- g. Depreciation charged to profit and loss account is net of Rs 30,853 (2000 : Rs 45,546, 1999 : Rs 42,583) transferred from revaluation reserve.
- h. In gross block, deduction / adjustment on sale / discard of revalued asset includes deduction of Rs 59,327 (2000 : Rs 23,721, 1999 : Rs 15,698) added on revaluation,.
- i. In depreciation block deduction / adjustment on sale / discard of revalued asset includes Rs 18,601 (2000 : Rs 5,922, 1999 : Rs 571) added on revaluation.
- j. In fiscal 2000, Consumer Care division of the company acquired glass manufacturing unit at Mysore. The Company has already taken possession of the fixed assets, however the ownership (gross value Rs 52,500) and factory and other licences are yet to be transferred in the name of the company.

WIPRO LIMITED
(in rupees thousands except share numbers and face value)

SCHEDULE 6 INVESTMENTS

All shares are fully paid up

	Number	Face value	As on December 31,		Year ended
			2000	1999	March 31,
					2000
Investments - Long Term (at cost)					
Investments in subsidiary companies					
Un quoted					
Equity Shares					
Wipro Prosper Ltd	200	Rs 10	2	2	2
Wipro Trademark Holdings Ltd	200	Rs 10	2	2	2
Wipro Inc, USA	992	US \$ 2500	129,270	105,940	105,940
Wipro Japan KK, Japan	650	JPY 50,000	9,738	9,738	9,738
Wipro Net Ltd (note a) (10,076,542 shares acquired during the year)	20,600,927	Rs 10	1,192,460	105,244	105,244
Net Kracker Ltd (1,896,613 shares acquired during the year)	1,896,713	Rs. 10	18,967		
Wipro Welfare Ltd	66,171	Rs 10	662	662	662
			1,351,101	221,588	221,588
Preference Shares					
9 % cumulative redeemable preference shares held in Wipro Trademark Holdings Ltd	1,800	Rs 10	18	18	18
Convertible preference shares in Net Kracker Ltd.	540,000	Rs. 100	54,000		
			54,018	18	18
Investments in equity shares of other companies					
Quoted					
Trade Investments					
Dynamatic Technologies Ltd	100	Rs 10	1	1	1
Other Investments					
HDFC Bank Ltd	100	Rs 10	1	1	1
Kashyap Radiant Systems Ltd (note b)	500,000	Rs 10	5,000	5,000	5,000
			5,002	5,002	5,002
- Unquoted					
Wipro GE Medical Systems Ltd (note a)	4,900,000	Rs 10	49,000	49,000	49,000
Wipro e-Peripherals Limited (5,460,000 equity shares acquired during the year)	5,460,000	Rs 10	54,600		
Wipro Finance Limited	48,304,901	Rs 10	Note c	Note c	Note c
			103,600	49,000	49,000
Investments in preference shares / debentures of other Companies					
Unquoted					
Investments in preference shares of Wipro Finance Ltd(note c)					
11 % cumulative convertible preference shares					
Convertible preference shares in Wipro Finance Ltd	2,500,000	Rs 100	Note c		Note c
Convertible preference shares in Wipro Finance Ltd	2,000,000	Rs 100			Note c
Redeemable preference shares in Wipro Finance Ltd	3,000,000	Rs 100	Note c		Note c
12.5% unsecured debentures of Wipro e-Peripherals	1,000,000	Rs. 100	40,000		
			40,000	-	-
Other Investments (unquoted)					
Redeemable floating rate bonds of State Bank of India	2,500	Rs 1,000	2,500	2,500	2,500
Kisan Vikas Patra (maturity value Rs 66,003)			47,952		
Bonds of GE Capital Services India Ltd (refer note 11) (maturity value Rs 240,500)			211,569	363,838	276,386
Investments Short Term (at amortised cost)					
Certificate of deposits					
Bank Austria Aktien			186,633		
Bank Nova Scotia			46,657		
Bank Scotland, New York			233,352		
Bayerische Hypo Und Vereins Bank			466,705		
Canadian Imperial Bank			233,290		
Credit Agricole Indosuez, New York			466,546		
Credit Suisse First Boston, New York			466,701		
Deutsche Bank AG, New York			139,989		
Dresdner Bank AG, New York			466,700		
First Un Natl Bank			233,769		
Lloyds Bank Plc, New York			233,354		
Svenska Handelsbanken			537,523		
Harris Trust and Savings Bank			560,040		
			4,271,259	-	-
			4,533,280	366,338	278,886
TOTAL			6,087,001	641,946	554,494
Less : Provision for diminution in value of investments			108,196	-	108,196
TOTAL			5,978,805	641,946	446,298
Aggregate book value of quoted investments			5002	5,002	5,002
Aggregate book value of unquoted investments (net of provision)			5,973,803	636,944	441,296
Aggregate market value of quoted investments			7,525	7,531	7,531

Notes :

- Equity investments in Joint Venture companies carry certain restrictions on transfer of shares that are normally provided for in joint venture agreement.
- Shares carry restriction on its sale upto 18 months from the date of purchase. During this period selling party has a put option to buy the shares from the company at a predetermined price ranging from Rs 15 to Rs 20 per share. The lowest put option price is considered as market value.
- Provision for diminution in value of investments in Wipro Finance Limited, erstwhile subsidiary of the Company is outlined below.

	As on December 31,		Year ended
	2000	1999	March 31,
			2000
Equity shares	559,805	559,805	559,805
Convertible preference shares	321,600	321,600	321,600
Convertible preference shares		200,000	200,000
Redeemable preference shares	300,000	300,000	300,000
	1,181,405	1,381,405	1,381,405
Less : Provision for diminution in value of investments	1,181,405	1,381,405	1,381,405

WIPRO LIMITED
(in rupees thousands)

SCHEDULE 7 INVENTORIES

	As on December 31, 2000	1999	As on March 31, 2000
Stores and Spares	44,275	45,772	42,914
Raw materials	490,971	720,577	497,545
Stock-in-process	108,029	133,311	92,970
Finished goods	526,603	610,605	581,730
Stock-in-trade land *	125,000	177,000	125,000
TOTAL	1,294,878	1,687,265	1,340,159

Basis of stock valuation :

Raw materials, stock-in-process and stores and spares at or below cost.
Finished products at cost or net realisable value, whichever is lower.

* Valued at fair market value on the date of conversion from capital asset to stock in trade or current market value whichever is lower.

SCHEDULE 8 SUNDRY DEBTORS
(Unsecured)

Over Six Months

	As on December 31, 2000	1999	As on March 31, 2000
Considered good	251,156	395,879	258,667
Considered doubtful	391,427	385,244	196,603
	642,583	781,123	455,270

Less : Provision for doubtful debts	391,427	385,244	196,603
	251,156	395,879	258,667

Others, considered good	5,054,057	3,774,999	4,210,714
TOTAL	5,305,213	4,170,878	4,469,381

SCHEDULE 9 CASH AND BANK BALANCES

	As on December 31, 2000	1999	As on March 31, 2000
Cash and cheques on hand	332,949	76,257	304,316
Balances with scheduled banks			
On Current account	171,002	88,962	265,012
In Deposit account	91	2,254	2,254
Balances with other banks in current account			
Global Trust Bank	13,085	-	-
Inkom Bank, Russia	60	60	60
Midland Bank, U K	58,837	44,186	35,872
Wells Fargo, U S A	259,100	94,416	139,763
Nations Bank	-	13	13
Bank of Montreal	-	11,335	-
Bank of America	379	-	-
First Chicago	442,198	-	-
Citibank,	646,566	-	-
FCC National Bank	434,311	-	-
	2,358,578	317,483	747,290
Maximum balances during the year			51,375
Washington Mutual bank, U S A			60
Inkom Bank, Russia			Nil
Bank of America, U S A			100,263
Midland Bank, U K			762,866
Wells Fargo, U S A			13
Nations Bank			27,162
Bank of Montreal			Nil
Great Western Bank			Nil

WIPRO LIMITED
(in rupees thousands)

SCHEDULE 10 LOANS AND ADVANCES

(Unsecured, considered good unless otherwise stated)

	As on December 31, 2000	1999	As on March 31, 2000
Advances and loans to subsidiaries	50,736	78,534	1,375
Bills Receivable	7,629		
Advances recoverable in cash or in kind or for value to be received			
Considered good	928,083	594,613	664,237
Considered doubtful	51,017	35,854	55,616
	979,100	630,467	719,853
Less : Provision for doubtful advances	51,017	35,854	55,616
	928,083	594,613	664,237
ICD placed	591,800		100,000
Interest receivable	109,742		15,735
Advance income-tax (net of provision)	148,550	107,128	-
Balances with excise and customs	25,106	35,773	73,390
Deposits	477,503	367,318	371,825
TOTAL	2,339,149	1,183,366	1,226,562

Notes :

a) Deposits include Rs 25,000 (2000 : Rs 25,000, 1999 : Rs 25,000) security deposits for premises with a firm in which a director is Interested

SCHEDULE 11 LIABILITIES

	As on December 31, 2000	1999	As on March 31, 2000
Acceptances		51,354	12,601
Sundry Creditors	1,271,827	1,524,243	1,359,768
Unclaimed dividends	255	634	406
Advances from customers	678,452	641,398	850,958
Other liabilities	1,956,487	1,239,571	1,430,661
Balance due to Subsidiary Companies	126,466	21,500	3,787
Interest accrued but not due on loans	-	4,164	1,423
Other deposits	387,983	-	387,983
	4,421,470	3,482,864	4,047,587

SCHEDULE 12 PROVISIONS

	As on December 31, 2000	1999	As on March 31, 2000
Employee retirement benefits	485,371	288,264	265,915
Others	21,006	29,208	10,045
Interim dividend payable			68,492
Proposed dividend		1,236	1,378
Provision for taxation on proposed dividend			7,686
Provision for taxation (less payments)			84,746
	506,377	318,708	438,262

SCHEDULE 13 OTHER INCOME

	As on December 31, 2000	1999	As on March 31, 2000
Dividend	7,353	14,700	14,720
Interest on bonds / deposits / loans (gross) (a)	193,530	70,215	72,225
Rental Income	12,666	15,320	18,770
Profit on Sale of Investments	-	681	681
Profit on disposal of fixed assets	41,034	12,597	16,737
Difference in exchange	110,688	52,497	37,252
Miscellaneous Income	62,679	52,834	96,923
	427,950	218,844	257,308

Notes :

a) Tax deducted at source Rs 21,649 (2000 : Rs 14,300, 1999 : Rs 14,300)

SCHEDULE 14 COST OF GOODS SOLD

	Schedule	Nine months ended		As on March 31,
		December 31,		
		2000	1999	2000
Raw materials, Finished and Process Stocks	17	5,710,352	5,505,869	8,625,323
Stores & Spares		155,783	180,569	249,729
Power and Fuel		214,883	165,773	215,277
Salaries, wages and bonus		2,008,082	1,102,866	1,545,460
Contribution to provident and other funds		72,486	47,705	67,280
Gratuity and pension		73,756	50,084	50,512
Workmen and Staff welfare		87,724	86,807	115,743
Insurance		6,015	6,012	8,472
Repairs to factory buildings		22,244	5,196	5,516
Repairs to Plant & Machinery		36,728	26,613	37,156
Rent		147,894	128,620	143,431
Rates & Taxes		9,945	13,609	18,672
Packing		23,910	30,606	49,769
Travelling and allowance		3,647,879	2,458,702	3,479,123
Depreciation		494,651	360,691	547,263
Miscellaneous		239,927	233,056	175,790
Less : Capitalised (refer note 14)		(113,958)	(46,031)	(130,606)
TOTAL		12,838,301	10,356,747	15,203,909

SCHEDULE 15 SELLING GENERAL AND ADMINISTRATIVE EXPENSES

	Nine months ended		As on March 31,
	December 31,		
	2000	1999	2000
Salaries, wages and bonus	634,524	468,824	656,656
Contribution to provident and other funds	29,651	17,568	24,719
Gratuity and pension	20,561	15,552	26,345
Workmen and Staff welfare	116,792	57,443	80,669
Insurance	14,898	8,182	10,910
Repairs to buildings	3,584	2,589	4,507
Rent	57,982	45,696	94,262
Rates and taxes	65,427	25,676	31,162
Carriage and freight	165,021	123,614	203,664
Commission on sales	450,657	387,252	597,119
Auditors' remuneration and expenses			
Audit fees	2,250	2,400	3,300
For certification including tax audit	169	537	1004
Reimbursement of expenses	419	235	382
Advertisement and sales promotion	381,913	255,911	339,332
Loss on sale of fixed assets	916	440	8,673
Directors' fees	98	159	193
Depreciation	173,727	101,466	151,280
Travelling and allowances	744,598	454,991	604,897
Communication	203,494	144,301	206,906
Provision/write off of bad debts	194,361	159,248	267,360
Miscellaneous	494,897	482,682	682,314
TOTAL	3,755,939	2,754,766	3,995,654

(in rupees thousands)

SCHEDULE 16 INTEREST

	As on December 31,		As on March 31,
	2000	1999	2000
On debentures	-	1,222	1,502
On other fixed loans	9,501	62,265	70,676
Others	50,005	178,359	214,504
Total	59,506	241,846	286,682

SCHEDULE 17 RAW MATERIALS, FINISHED AND PROCESS STOCKS

	As on December 31,		As on March 31,
	2000	1999	2000
<u>Consumption of raw materials and bought out components</u>			
Opening stocks	497,545	491,956	491,956
Add : Stock taken over on merger (refer note 7)	-	111,428	111,428
Add : Purchases	2,613,528	2,934,304	4,443,791
Less : Closing stocks	490,971	720,577	497,545
	2,620,102	2,817,111	4,549,630
Purchase of finished products for sale	3,050,182	2,760,426	4,078,145
<u>(Increase)/decrease in finished and process stocks</u>			
Opening stock : In process	92,970	100,376	100,376
: Finished products	581,730	531,430	531,430
Stock taken over : In Process (refer note 7)	-	1,242	1,242
: Finished products	-	39,200	39,200
Less : Closing stocks : In process	108,029	133,311	92,970
: Finished products	526,603	610,605	581,730
	40,068	(71,668)	(2,452)
<u>(Increase)/Decrease in stock-in-trade : land</u>			
Opening Stock	125,000	177,000	177,000
Less : Closing stock	125,000	177,000	125,000
Less : Drawn from Capital reserve			52,000
TOTAL	5,710,352	5,505,869	8,625,323

SCHEDULE 18 NON - RECURRING / EXTRAORDINARY ITEMS

	As on December 31,		As on March 31,
	2000	1999	2000
Provision for diminution in value of investments	-	700,505	808,701
Loss on Sale of shares	-	809,838	809,838
Gain on sale of investments in Wipro Net Limited	-	(1,095,448)	(1,095,448)
TOTAL	-	414,895	523,091

SIGNIFICANT ACCOUNTING POLICIES

Accounting convention

Accounts are maintained on an accrual basis under the historical cost convention.

Revenue recognition

- Sales include applicable sales tax unless separately charged, export incentives and are net of discounts and cost provisions for services as per sales contract terms.
- Sales are recognized on despatch, except in the following cases :
 - Consignment sales are recognized on receipt of statement of account from the agent
 - Sales, which are subject to detailed acceptance tests, revenue is reckoned based on milestones for billing, as provided in the contracts
 - Software revenue is recognized on the basis of chargeable time or achievement of prescribed milestones for billing as provided in the contracts
- Export incentives are accounted on accrual basis and include estimated realizable values/benefits from special import licenses and Advance licenses.
- Agency commission is accrued on shipment of consignment by principal.
- Maintenance revenue is considered on acceptance of the contract and is accrued over the period of the contract.
- Other income is recognized on accrual basis.

Research and Development

Revenue expenditure on research and development is charged to Profit and Loss account and capital expenditure is shown as addition to fixed assets.

Provision for retirement benefits

For employees covered under group gratuity scheme of LIC, gratuity charged to Profit and Loss account is on the basis of premium demanded by LIC. Provision for gratuity (for certain category of employees) and leave benefit for employee's is determined as per actuarial valuation at the year end. Defined contributions for provident fund and pension are charged to the Profit and Loss account based on contributions made in terms of applicable schemes, after netting off the amounts rendered surplus on account of employees separated from the Company.

Fixed Assets

Fixed assets were revalued as at March 31, 1997. Such assets are stated at revalued amounts less depreciation. Assets acquired after March 31, 1997 are stated at cost less depreciation.

Interest on borrowed money allocated to and utilized for fixed assets, pertaining to the period upto the date of capitalization and other revenue expenditure incurred on new projects is capitalized. Assets acquired on hire purchase are capitalized at the gross value and interest thereon is charged to Profit and Loss account. Renewals and replacement are either capitalized or charged to revenue as appropriate, depending upon their nature and long term utility.

In respect of leased assets, lease rentals payable during the year is charged to Profit and Loss account.

Depreciation is provided on straight line method at rates specified in Schedule XIV to the Companies Act, 1956, except on computers, furniture and fixture, office equipment, electrical installations (other than those at factories) and vehicles for which commercial rates are applied. Technical know-how is amortized over six years.

Foreign currency transactions

Foreign currency transactions are recorded at the spot rate at the beginning of each month. Year end balances of foreign currency assets and liabilities are restated at the closing rate/forward contract rate, as applicable; resultant differences on liabilities relating to acquisition of fixed assets are capitalized and on other assets and liabilities are adjusted to revenue account.

Forward premiums in respect of forward exchange contracts are recognized over the life of the contract, except that premiums relating to foreign currency loans for the acquisition of fixed assets are capitalized.

Inventories

Finished goods are valued at cost or net realizable value, whichever is lower. Other inventories are valued at cost less provision for obsolescence. Indigenously developed software products are valued at cost, which reflects their remaining economic life. Small value tools and consumables are charged to consumption on purchase. Stock-in-trade : Land is valued at the value on the date of conversion from capital assets to stock-in-trade or current market value, whichever is lower. Cost is computed on weighted average basis.

Investments

Investments are stated at cost. Diminution in value is provided for where the management is of the opinion that the diminution is of permanent nature.

Notes to accounts

(All figures are reported in rupees thousands, except data relating to equity share or unless stated otherwise)

1. i) The Company has provided depreciation at the rates specified in Schedule XIV to the Companies Act, 1956, except in cases of the following assets which are depreciated at commercial rates which are higher than the rates specified in Schedule XIV.

Class of Asset	Depreciation rate applied	Per Schedule XIV
	%	
Data Processing equipment & Software	50.00	16.21
Furniture and fixtures	19.00	6.33
Electrical Installations	19.00	4.75
Office equipment	19.00	4.75
Vehicles	24.00	9.50

- ii) Depreciation at 100% have been provided on assets costing less than Rs. 5
2. In fiscal 1995, the Company had converted a fixed asset (consisting of land) into stock-in-trade at the then fair market value. The surplus (market price less original cost) arising on such conversion was credited to Capital Reserve. In fiscal 2000, there was a further reduction of Rs. 52,000 in the value of said land compared to carrying value at the beginning of the previous year. This reduction in value was recognized in the Profit and Loss account and an equivalent amount was drawn from the Capital Reserve created on the conversion, to offset the impact of such reduction on the Profit and Loss account.
3. Estimated amount of contracts remaining to be executed on Capital account and not provided for is Rs. 404,211 (2000 : Rs 160,034)
4. Contingent liabilities in respect of :
- i) Claims against the Company not acknowledged as debts Rs. 5,155 (2000 : Rs. 8,892)
- ii) Disputed demands for excise, customs, income tax, sales tax and other matters Rs. 127,120 (2000 : Rs. 189,860)
5. The company has made provision for excise/customs duty on goods manufactured/imported but not cleared. Such provision was not made in the period ended December 31, 1999. However, there is no impact on profit for the period on account of this change.
6. Depreciation for the period has been provided on revalued amount. However, depreciation provided on the increase in the value on account of revaluation has been drawn from revaluation reserve created on such revaluation. Depreciation charged to Profit and Loss account is net of Rs 30,853 (2000 : Rs 45,546, 1999 : Rs 42,583) drawn from revaluation reserve.
7. Corresponding figures for the Nine month period ended Dec 31, 1999 have been restated to include financials of Wipro Computers Limited which was amalgamated with Wipro effective April 1, 1999.
8. During the year the Company sold the business of Manufacturing and Trading of Computer Peripherals to Wipro e-Peripherals with effect from the closing hours of 31st August 2000. Accordingly figures for the nine months ended December 31, 2000 are not comparable with those for the nine months ended December 31, 1999.

The net consideration of Rs. 270.88 mn is in respect of

	Rs. Mn
Fixed assets	106.77
Current assets including	
Inventories	256.63
Sundry debtors	149.39
Other current assets	47.07
Current liabilities including	
Sundry creditors	(148.40)
Other current liabilities	(140.58)
Total	270.88

The consideration of Rs. 270.88 m has been received in the following manner.

Issue and allotment of shares of Wipro e-Peripherals Limited (54,60,000 shares of Rs. 10 each)	54.60
Issue of 12.5% Non Convertible Debenture (10,00,000 debentures of Rs. 100 each)	100.00
Cash	116.28
Total	270.88

9. Exercise price received from option holders on exercise of stock options, pending allotment of shares is recorded as share application money pending allotment.

10. During the year the Company acquired 10,076,542 shares representing 45 % of interest held by KPN Group in Wipro Net Limited for Rs 1,087,216. Contemporaneously the Company restructured the operations of Wipro Net by spinning off the retail ISP segment of Wipro Net into a new entity NetKracker Limited. The Company has Rs 18,967 in equity shares of Netkracker Limited and holds Rs 54,600 of convertible preference shares.

The Company and ICICI Venture Fund Management Company Limited have entered into an agreement that provides for Rs.300,000 of investment in Net Kracker Limited by ICICI Venture Fund Management Company Limited for 51% equity interest, the Company will retain the balance 49% of equity. This transaction was consummated in January 2001.

11. Company had, in October 1999, an ECB of USD 8,150('000s) equivalent to Rs. 354,364. At that time, the Company entered into an arrangement with a Bank (counter party) for the structured repayment of this loan. As per the agreement, Company made an investment in deep discount bonds of one of the corporate, with highest credit rating. The maturity value of such bonds have been assigned to the counter party which has, in turn, agreed to discharge the Company's ECB liability on the scheduled due dates. Consequent to this, exchange risk of the ECB liability was crystallised in the hands of the company and the premium paid at the time of structured payment is being amortised in the books of account over the balance tenure of ECB loan. The bonds in which the company has invested have varying maturity dates. The amount due on maturity is offset against ECB loan liabilities. At the end of ECB loan tenure, loan liability will match with the amount due on the last maturity of bonds.
12. In fiscal 2000, the Company sold 4,694,795 equity shares in Wipro Net Limited (WNL) resulting in an extraordinary income of Rs. 1,095,449. Of the total shares sold, on 1,791,385 shares, the buyer has a put option and the Company has call option for a specified period, within a price band of Rs. 575 to Rs. 700 per share.
13. In fiscal 2000, the Company carried out a comprehensive review of the financial position of Wipro Finance Limited, the erstwhile subsidiary of the Company. On the basis of its review, the Company infused an additional equity of Rs. 450,000 Convertible Preference shares of Rs.200,000 and Redeemable Preference shares of Rs.300,000, to discharge all its obligations.

To focus on its core business, the Company divested significant portion of its holding in Wipro Finance Limited, resulting in an extraordinary loss of Rs. 809,839. Following the di-vestment, Wipro Finance Limited ceases to be a subsidiary of the Company. Further, realisability of the remaining investments in Wipro Finance Limited, in the opinion of the management, is estimated to be negligible. The Company provided for diminution in the value of such investments aggregating Rs. 700,505.

14. Company has instituted various Employee Stock Option Plans. In all the compensation committee of the board evaluates the performance and other criteria of employees and approves the grant of options. These options vest with employees over a specified period subject to fulfillment of certain conditions. Upon vesting, employees are eligible to apply and secure allotment of Company's shares at a price determined on the date of grant of options. The particulars of options granted under various plans is tabulated below.

October 1999 - plan

	Nine months ended December 31, 2000			
	Shares arising out of options	Range of exercise prices and grant date fair values	Weighted average exercise price and grant date fair values	Weighted-average remaining contractual life (months)
Outstanding at the beginning of the period.....	2,412,150	1,024 - 2,522	1,091	36
Granted during the period.....	2,672,000	1,853 - 2,419	1,860	35
Forfeited during the period.....	(282,550)	1,086	1,086	32
Exercise during the period.....	(72,964)	1,086	1,086	-
Outstanding at the end of the period.....	4,728,636	1,024 - 2,522	1,543	31
Exercisable at end of the period	139,996	1,024 - 1,086	1,085	-

October 2000 - plan

	Nine months ended December 31, 2000			
	Shares arising out of options	Range of exercise prices and grant date fair values	Weighted average exercise price and grant date fair values	Weighted-average remaining contractual life (months)
Outstanding at the beginning of the period.....				
Granted during the period.....	3,443,575	2,382 - 2,651	2,396	40
Forfeited during the period.....	(133,850)	2,382	2,382	41
Outstanding at the end of the period.....	3,309,725	2,382 - 2,651	2,396	40
Exercisable at end of the period				

ADR - plan

Nine months ended December 31, 2000

	Shares arising out of options	Range of exercise prices and grant date fair values	Weighted average exercise price and grant date fair values	Weighted- average remaining contractual life (months)
Outstanding at the beginning of the period.....				
Granted during the period.....	268,250	\$ 41.375	\$ 41.375	40
Forfeited during the period.....	(4,000)	\$ 41.375	\$ 41.375	41
Outstanding at the end of the period.....	264,250	\$ 41.375	\$ 41.375	40
Exercisable at end of the period				

15. Amount capitalised comprise following revenue expenditure of a capital nature incurred during the period.

	Dec 31, 2000	Dec 31, 1999	Year ended Mar 31, '2000
Raw material, finished goods (including Manufactured products) and process stock	70,029	46,031	130,606
<u>Pre-operative expenses</u>			
Power and Fuel	Rs. 32,577		
Conveyance expense	Rs. 233		
Professional expense	Rs. 783	33,593	
	103,622	46,031	130,606

16. The company had earlier disputed certain claims for entry tax liability. In light of the recent judicial pronouncements to this matter the Company provided Rs. 23,819 in respect of these claims. These amounts have since been paid.

17 Provision for taxation comprises of following:

- (i) Rs.235,676 (2000 : Rs. 169,175, 1999 : 115,210) in respect of foreign taxes.
- (ii) Rs.360,799 (2000; Rs 328,825, 1999 : Rs. 55,000) in respect of Indian Income Tax including Rs Nil (2000 :Rs.50,000) in respect of previous years, for Indian Income Tax.
- (iii) Rs. Nil (2000 : Rs 3,000, 1999 : Rs Nil) in respect of Wealth Tax.
- (iv) Tax provision is on income earned by divisions excluding dividend income and income of Wipro Technologies. Tax provided at 36% which is Effective Tax Rate (ETR) after considering permanent benefit under section 80.

18. Summary of compensation to directors during the Nine month period ended December 31, 2000

Salary and allowances	Rs. 15,803
Contribution to Provident fund	Rs. 523
Contribution to Pension	Rs. 7,013
Commission	Rs. 42,103
Total	Rs. 65,442

19. On April 24, 2000 the board of directors of the Company declared an interim dividend on equity shares of 15 % for the year ended March 31, 2000. The same was provided for in the financial statements for the year ended March 31, 2000.

20. Corresponding figures for previous periods presented have been regrouped, wherever necessary, to confirm to this period's classification.

ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PART II OF SCHEDULE VI TO THE COMPANIES ACT 1956

i) Licensed / registered / installed capacities

	Unit	Registered Capacity				Installed Capacity @			
		Dec 31, 2000	Dec 31, 1999	March 31, 2000	Dec 31, 2000	Dec 31, 1999	March 31, 2000	Dec 31, 2000	
Vanaspati / Hydrogenated oils	T P A *	144,000	144,000	144,000	56,250	56,250	56,250	56,250	
Refined Oils	T P A *	22,813	22,813	22,813	18,250	18,250	18,250	18,250	
Oxygen Gas	Million cubic meters P A	1.625	1.625	1.625	1.625	1.625	1.625	1.625	
Laundry Soaps	Tons Per Month \$	175	175	175	-	-	-	-	
Hydraulic and pneumatic equipment	N P A #	40,000	40,000	40,000	40,000	40,000	40,000	40,000	
Tipping gear systems	N P A #	2,000	2,000	2,000	2,000	2,000	2,000	2,000	
Toilet Soaps	T P A *	42,750	42,750	42,750	28,000	28,000	28,000	28,000	
Leather shoe uppers, leather shoes and allied articles	Pairs / Nos p.a in lakhs	750	750	750	750	750	750	750	
Fatty acids	T P A *	20,000	20,000	20,000	20,000	20,000	20,000	20,000	
Glycerine	T P A *	2,000	2,000	2,000	1,800	1,800	1,800	1,800	
GLS lamps	000s	50,000	50,000	50,000	50,000	50,000	50,000	50,000	
TL Shells	000s	12,694	-	12,694	12,694	-	12,694	12,694	
Flourescent tubelights	000s	8,139	8,139	8,139	8,139	8,139	8,139	8,139	
Mini computers / micro processor based systems and data communication systems	Ex-factory turnover in million rupees per annum	2,700	2,700	2,700	2,700	2,700	2,700	2,700	
Serial printers	Ex-factory turnover in million rupees per annum	400	400	400	400	400	400	400	
Micro processor based computers and peripherals	N P A #	8,500	8,500	8,500	72,500	72,500	72,500	72,500	
Computers and communication boards	N P A #	8,500	8,500	8,500	8,500	8,500	8,500	8,500	
Computer software (domestic)	Rupees in million	100	100	100	-	-	-	-	

@ Installed capacities are as per certificate given by management on which auditors have relied.

* TPA indicates tons per annum

NPA indicates nos. per annum

\$ on per shift basis

ii) Production and Sales

	Unit	Production #			Dec 31, 2000		Sales		March 31, 2000	
		Dec 31, 2000	Dec 31, 1999	March 31, 2000	Quantity	Rs 000	Quantity	Rs 000	Quantity	Rs 000
Software services					12,354,365		6,994,325		10,142,163	
Mini computers/micro processor based Systems and data communication systems	Nos	34,094	1,680	56,866	34,866	3,914,308	38,690	3,476,955	73,067	5,409,904
Serial printers	Nos	28,422	59,859	92,940	50,134	837,846	93,899	1,552,376	171,615	2,325,725
Toilet soaps	Tons	17,722	14,778	20,474	18,121	1,513,051	14,834	1,256,566	19,818	1,720,958
Post sales support and related IT services						918,503		497,625		759,849
Vanaspati/hydrogenated oils	Tons	12,123	18,753	23,522	11,618	369,650	18,858	670,465	23,945	831,439
Lighting products	000s	&	&	&		647,489		519,514		772,060
Hydraulic and pneumatic equipment	Nos	36,024	30,711	47,561	35,756	443,071	29,455	393,580	45,791	600,909
Tipping gear systems	Nos	1,025	2,207	4,289	1,025	86,248	2,207	84,264	4,289	154,018
Shoe uppers and full shoes (pairs)	000s	350	333	520	355	92,670	335	84,737	521	136,388
Fatty acids	Tons	20,021 \$	17,379 \$	23,550 \$	245	8,626	17,168	23,720	997	30,297
Glycerine %	Tons	368 %	265 %	4,060 %	299	22,513	227	11,425	304	18,858
Reagent kits/ spares of analytical instruments	Nos	4,947	7,617	9,470	30,550	331,248	24,188	154,669	34,247	256,117
Spares / components for cylinders / tippers	&							63,968		97,224
Agency commission						227,900		25,850		123,547
Software products						180,089		115,423		221,080
TOTAL						21,947,577		15,925,462		23,600,536
Less: Excise Duty						620,607		579,971		864,922
TOTAL						21,326,970		15,345,491		22,735,614

includes samples and shortages

\$ includes 9,843 tons (2000 : 11,271, 1999 8,247) used for own consumption

% includes 60 tons (2000 : 3,724, 1999 : 18) used for own consumption

& it is not practicable to give quantitative information in the absence of common expressible unit.

(in rupees thousands)

iii) Closing Stocks

	Unit	Dec 31, 2000		Dec 31, 1999		Mar 31, 2000	
		Quantity	Rs 000s	Quantity	Rs.000s	Quantity	Rs 000s
Mini computers/micro processor based systems * and data communication systems *	Nos	56	236,604	1,129	65,548	828	133,892
Serial Printers *	Nos			12,000	307,711	11,552	132,758
Toilet Soaps	Tons	883	35,659	571	26,365	1,282	58,908
Vanaspati / hydrogenated oils	Tons	971	22,592	784	23,038	466	13,710
Lighting Products *			79,350	-	49,015	-	44,448
Hydraulic and pneumatic equipment	Nos	3,965	70,309	3,183	68,791	3,697	62,002
Shoe Uppers and full shoes (pairs)	000s		24	4	222	5	396
Fatty acids	Tons	161	3,032	271	6,183	71	2,058
Glycerine	Tons	27	1,626	125	5,003	78	3,422
Others			1,751				67,308
			<u>450,947</u>		<u>551,876</u>		<u>518,902</u>
Closing Stock of traded goods							
Reagent Kits/Spares of Analytical instruments	Nos	19,520	58,808	17,218	51,629	19,394	52,286
Others			16,848		7,100		10,542
			<u>526,603</u>		<u>610,605</u>		<u>581,730</u>

* includes traded products ; bifurcation between manufactured and traded products not practicable

iv) Purchases for trading

	Unit	Dec 31, 2000		Dec 31, 1999		March 31, 2000	
		Quantity	Rs 000s	Quantity	Rs 000s	Quantity	Rs 000s
Computer units /printers	Nos	16,775	2,375,965	70,349	2,091,673	92,520	3,474,196
Lighting Products *			345,806		168,723	-	245,589
Reagent kits/Spares of analytical instruments	Nos	25,729	202,627	23,808	133,505	34,190	203,372
Spares/Components for tippers/cylinders*			22,222		27,147		35,357
Others*			103,562		339,378		119,631
			<u>3,050,182</u>		<u>2,760,426</u>		<u>4,078,145</u>

* It is not practicable to give quantitative information in the absence of common expressible unit.

V) Raw materials consumed

	Unit	Dec 31, 2000		Dec 31, 1999		March 31, 2000	
		Quantity	Rs 000s	Quantity	Rs 000s	Quantity	Rs 000s
Peripherals/ Components for computers	#		1,576,277		1,538,058		2,822,992
Oils and fats	Tons	18,691	439,774	28,715	681,457	46,924	850,988
Components for cylinders	#		228,523		195,265		318,902
Tinplates	Tons		38,618	394	10,962	513	19,053
Components for lighting products	#		121,729		149,473	-	226,690
Leather	Sq.ft.(oo os)	399	65,322	186	58,616	585	85,795
Others	#		149,859		183,280		225,210
			<u>2,620,102</u>		<u>2,817,111</u>		<u>4,549,630</u>

It is not practicable to give quantitative information in the absence of common expressible unit .

vi) Value of imported and indigenous materials consumed

	Dec 31, 2000		Dec 31, 1999		March 31, 2000	
	%	Rs 000s	%	Rs 000s	%	Rs 000s
Raw Materials						
Imported	51	1,343,675	43	1,211,357	43	1,937,078
Indigenous	49	1,276,427	57	1,605,754	57	2,612,552
	<u>100</u>	<u>2,620,102</u>	<u>100</u>	<u>2,817,111</u>	<u>100</u>	<u>4,549,630</u>
Stores and Spares						
Imported	5	8,159	5	9,028	5	13,647
Indigenous	95	147,624	95	171,541	95	236,082
	<u>100</u>	<u>155,783</u>	<u>100</u>	<u>180,569</u>	<u>100</u>	<u>249,729</u>

vii) Value of imports on CIF basis

(does not include value of imported items locally purchased)

	Dec 31, 2000	Dec 31, 1999	March 31, 2000
Raw materials, components and peripherals	1,102,457	771,795	4,142,917
Stores and spares	153,484	1,008,858	243,324
Capital goods	149,910	2,526	22,249
Others	139,914		151,881
	1,545,765	1,783,179	4,560,371

viii) Expenditure in foreign currency

	Dec 31, 2000	Dec 31, 1999	March 31, 2000
Travelling	3,254,350	2,696,798	3,287,164
Interest		6,941	25,341
Royalty		-	100,198
Professional fees	17,787	122	28,676
Others	456,559	129,036	272,461
	3,728,696	2,832,897	3,713,821

ix) Earnings in foreign exchange

	Dec 31, 2000	Dec 31, 1999	March 31, 2000
Export of goods on F.O.B basis	93,084	84,780	149,224
Services	12,296,723	7,107,601	10,185,559
Interest on deposits / investments outside India	38,356		
Agency commission	32,253	113,985	169,158
Others	746		1,780
	12,461,162	7,306,366	10,505,740

WIPRO LIMITED
CASH FLOWS STATEMENT
(in rupees thousands)

	Nine months ended		Year ended
	December 31,		March 31,
	2000	1999	2000
Cash flows from operating activities:			
Net profit before tax and non recurring items	5,101,174	2,210,976	3,506,677
Adjustments to reconcile Net profit before tax and non recurring items to net cash provided by operating activities:			
Depreciation and amortization	668,378	462,157	698,543
Foreign currency translation gains			(59,306)
Retirement benefits provision	219,456		58,995
Interest on borrowings	(57,928)	139,203	286,682
Dividend / interest			(86,944)
Loss / (Gain) on sale of short-term investments			(681)
Loss / (Gain) on sale of property, plant and equipment	(41,034)	(12,597)	(7,725)
Operating cash flow before changes in working capital	5,890,046	2,799,739	4,396,241
Changes in operating assets and liabilities			
Trade and other receivable	(835,832)	(158,305)	(489,512)
Loans and advances	(476,790)		
Inventories (other than stock-in-trade land)	45,281	(125,297)	211,494
Trade and other payables	390,820	301,904	767,625
Net cash provided by operations	5,013,525	2,818,041	4,885,848
Direct taxes paid	(829,771)	(80,688)	(219,604)
Net cash provided by operating activities	4,183,754	2,737,353	4,666,244
Cash flows from investing activities:			
Expenditure on property, plant and equipment (including advances)	(2,108,619)	(789,008)	(1,198,136)
Proceeds from sale of property, plant and equipment	161,158	24,554	67,935
Purchase of investments	(5,597,324)	(1,723,787)	(1,640,128)
Inter Corporate deposits placed	(491,800)	-	(100,000)
Proceeds from sales and maturities of investments	64,817	1,142,396	1,146,870
Dividends received	7,353	14,700	14,720
Interest received	110,081	70,162	72,225
Net cash used in investing activities	(7,854,334)	(1,260,983)	(1,636,515)
Cash flows from financing activities:			
Capital subsidy received	750		-
Proceeds from American Depository Offering	5,802,774		
Proceeds from exercise of Stock Option Plan grants	79,239		
Share application monies received pending allotment	12,938		
Proceeds from issue (redemption) of preference shares	(250,000)		
Proceeds from issuance / (repayment) of borrowings	(205,320)	(1,219,820)	(2,250,808)
Interest on borrowings	(60,929)	(241,734)	(307,090)
Payment of cash dividends	(87,913)	(69,870)	(94,372)
Corporate tax on Dividend	(9,671)	(6,986)	(9,692)
Net cash provided by/(used in) financing activities	5,281,868	(1,538,410)	(2,661,962)
Net increase/ (decrease) in cash and cash equivalents during the year	1,611,288	(62,040)	367,767
Cash and cash equivalents at the beginning of the period	747,290	379,523	379,523
Cash and cash equivalents at the end of the period	2,358,578	317,483	747,290

Notes :

- i) Cash and cash equivalents as at April 1, 1999 include Rs 12,144 of erstwhile Wipro Computers Limited taken over on amalgamation.
- ii) In year ended March 31, 2000, purchase of investments include additional investments of Rs 1,291,243 in erstwhile subsidiary Wipro Finance and outflow on acquisition of shares held by Acer Computer International in erstwhile Wipro Computers Ltd of Rs 67,500.
- iii) In year ended March 31, 2000, proceeds from sale of investments include consideration received on part divestment of equity holding in Wipro Net Limited of Rs 1,142,396.
- iv) Figures for previous periods presented, have been regrouped wherever necessary, to confirm to this year's classification.

For and on behalf of the board of directors

Azim Hasham Premji (Chairman and managing director)

Suresh Senapaty
(Corporate Executive Vice President – Finance)

Hamir K Vissanji (Director)

Satish Menon
(Corporate Vice President- Legal & Company Secretary)

N Vaghul (Director)

Bangalore, January 19, 2001.

AUDITOR'S CERTIFICATE

We have examined the above cash flow statement of Wipro Limited for the Nine month period ended December 31, 2000. This statement has been prepared by the company in accordance with the requirement under clause 32 of the listing Agreement with the Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company for the Nine month period ended December 31, 2000.

For N M Rajji & Co.,
Chartered Accountants

J M Gandhi
Partner

Bangalore, January 19, 2001.

