



FOR IMMEDIATE RELEASE

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**RESULTS PREPARED IN ACCORDANCE WITH US GAAP
WIPRO RECORDS 101% NET INCOME GROWTH FOR THE QUARTER JUNE 30, 2001**

Bangalore, India and Santa Clara, California – July 20, 2001-- Wipro Limited (NYSE:WIT) today announced financial results under US GAAP for the first quarter ended June 30, 2001.

Highlights:

- **Net Income for the quarter ended June 30, 2001 were Rs. 1.89 billion (\$40 million) representing an increase of 101% over the same period last year.**
- **Global IT Services Revenue increased 44% for the quarter ended June 30, 2001, at Rs. 5.21 billion (\$111 million) and EBIT growth of 75% compared to quarter ended June 30, 2000.**
- **Increases in Offshore realization by 15% and Onsite realization by 16% over the same period last year, resulted in a 6% increase in the Operating Margin of Global IT Services.**
- **R&D Services contributed 52% of Global IT Services Revenue for the quarter ended June 30, 2001, representing an increase of 4%, up from 48%, over the corresponding period last year.**
- **The Services component of Indian IT Services and Products business grew by 15% to Rs. 484 million (\$10 million) for the quarter ended June 30, 2001 over the same period last year,.**
- **Rs. 1.32 billion (\$28 million) of cash was generated from operations for the quarter ended June 30, 2001.**

Total Revenues for the quarter ended June 30, 2001 were Rs. 7.65 billion (\$163 million), representing an 18% increase over the corresponding period in the last year. Net Income was Rs. 1.89 billion (\$40 million), representing an increase of 101% over Net Income for the same period last year. Earnings per share from continuing operations was Rs. 8.17 (\$0.17) for the quarter ended June 30, 2001, representing an increase of 87% over the Earnings per share of Rs. 4.38, for the corresponding period last year.

Commenting on the results, Azim Premji, Chairman of Wipro, said: "In the current environment, we had the option of using price plays for getting volumes versus the tougher and long term beneficial approach of focusing on value, leveraging our technology skill sets and Six Sigma Quality approach to delivery. We chose to pursue big deals competing with the Big 5 and large system and telecom integration players.

"I am happy to share with you, that yesterday evening, we concluded a global System Integration business with a contract of US\$70 million from the telecom subsidiary of Lattice Group plc, a FTSE 100 company. The contract is a part of the Lattice Group's previously announced investment of Great Britain pound 450 million in the construction of national fiber optic backbone network in the United Kingdom. This project is recognition of the competency that Wipro has built in the Telecom space and comprehensive skill sets covering System Integration to Infrastructure Support. This project win positions us as the only leading global service provider with Offshore delivery capability to compete and win against the Big 5 in large projects. Although the project will largely generate Revenue in the second half of the year, we still expect Revenue in excess of US\$ 30 million for this fiscal year. This opens out a whole new market not only for Wipro but also for the Indian Software industry.

"Looking ahead, we currently believe that we will continue to grow ahead of the industry growth rates. With the Lattice Group project win, we expect our growth to increase in the second half of this fiscal year. We expect revenue in excess of \$ 30 million from this project for the current fiscal year.

Global IT Services (67% of Revenues and 97% of Operating Income for the quarter ended June 30, 2001)

Wipro's Global IT Services business segment recorded Revenue of Rs. 5.21 billion (\$111 million) for the quarter ended June 30, 2001, representing an increase of 44% over the Revenue for the quarter ended June 30, 2000. Earnings before Interest and Tax (EBIT) was Rs. 1.87 billion (\$40 million) for the for the quarter., corresponding to an increase of 75% over EBIT for the corresponding quarter of the previous year.

EBIT increased from 30% for the quarter ended June 30, 2000 to 36% for the quarter ended June 30, 2001. This growth resulted from year on year increase in price realizations for Offshore projects by 15% and those for Onsite by 16% over the corresponding period of the previous year and Cost Management initiatives, which was partially offset by lower Utilization of professionals by 11% as compared to the quarter ended June 30,2000.

Offshore and Onsite realizations increased sequentially by 3.4% and 2.6%, respectively over quarter ended March 31, 2001. Our largest customer, top 5 and top 10 customers accounted for 8%, 29% and 42%, respectively of our total Revenue for the quarter ended June 30, 2001, as compared to 10%, 32% and 47% respectively for the corresponding period of the previous year. Twenty-five new clients were added in the quarter ended June 30, 2001.

For the quarter ended June 30, 2001, we continued to diversify our Revenue profile with increased contributions from Europe. The proportion of Revenues from Europe increased from 27% for the quarter ended June 30, 2000 to 33% for the quarter ended June 30,2001. Accordingly, the proportion of Revenue from North America decreased to 60% from 65% in the corresponding quarter of the previous year. Japan contributed 6% for the quarter ended June 30, 2001.

We had 9795 employees as of June 30,, 2001. Gross addition in employees in the quarter ended June 30,2001 was 158. Consequent to 297 separations (both voluntary and otherwise), there was a net decline in the number of people by 139 as compared to March 31,2001.

Indian IT Services and Products (18% of Revenue and 4% of Operating Income for the quarter ended June 30, 2001)

Wipro's Indian IT Services and Products business segment (Wipro Infotech) recorded Revenue of Rs. 1.37 billion (\$29 million) and Earnings Before Interest and Tax (EBIT) of Rs. 71 million (\$1.5 million) for the quarter ended June 30, 2001.

The proportion of Services and Solutions segment Revenue to total Revenue increased from 23% for the quarter ended June 30,2000 to 35% for the quarter ended June 30,2001. Operating Margin for the quarter ended June 30, 2001 remained at was 5%. Annualized Return on Capital Employed (ROCE) was 33% for the quarter ended June 30,2001.

Wipro Infotech launched its services in the Asia Pacific and Middle East markets in the quarter ended June 30, 2001. In its first quarter of operations, the business won two marquee customers and generated significant interest.

Consumer Care & Lighting (10% of Revenue and 5% of Operating Income for the quarter ended June 30, 2001)

Wipro's Consumer Care & Lighting business segment recorded Revenue of Rs. 725 million (\$15 million) for the quarter ended June 30, 2001 as compared to Rs. 736 million for the same period last year. Earnings Before Interest and Tax (EBIT) was Rs. 91 million (\$1.9 million) for the quarter ended June 30,2001 as compared to Rs. 85 million for the same period last year. Annualized Return on Capital Employed (ROCE) was 48% for the quarter ended June 30,2001.

The board of directors of Wipro Limited accepted the resignation of Dr. Nachiket Mor, Director, from the Board of Wipro Limited and commended the contribution made by him.

Wipro Limited results for the quarter ended June 30, 2001 computed under the Indian GAAP and the US GAAP, along with individual business segment reports are available in the Investor Relations section of our website at www.wipro.com.

Quarterly Conference call

Wipro will hold conference calls today to discuss first quarter results at 11:30 AM IST (2:00 AM Eastern Time) and 7.00 PM (9:30 AM Eastern) to discuss the company's performance for the quarter and answer questions sent to email ID: Lakshminarayana.lan@wipro.com. The audio of the management discussions and the question and answer session will be available online and can be accessed in the Investor Relations section of the company website at www.wipro.com beginning shortly after the live broadcast.

About Wipro Limited:

Wipro Limited is the first SEI CMM Level 5 certified IT Services Company globally. Wipro provides Research and Development services to Telecom and Electronic product companies and software solutions to global corporate enterprises.

In the Indian market, Wipro is a leader in providing IT solutions and services for the corporate segment in India offering system integration, network integration and IT services. Wipro also has profitable presence in niche market segments of consumer products and lighting.

Wipro's ADSs are listed on the New York Stock Exchange, and its equity shares are listed in India on the Stock Exchange - Mumbai, and the National Stock Exchange, among others.

For more information, please visit our websites at www.wipro.com and www.wiproindia.com.

Forward-looking and cautionary statements

Certain statements in this release concerning our future growth prospects 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 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, our ability to successfully complete and integrate potential acquisitions, 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.

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(tables to follow)

WIPRO LIMITED
CONSOLIDATED STATEMENTS OF INCOME
(in Rs millions, except per share data)
Three Months Ended

	June 30,			Year ended March 31	
	2000	2001	2001	2001	2001
	(unaudited)				
Revenues :					
Global IT Services.....	Rs. 3,597	Rs. 5,160	\$ 110	Rs. 17,670	\$ 375
<i>Indian IT Services and Products ...</i>					
Indian IT Services	422	484	10	1,879	40
Indian IT Products	1,452	885	19	6,792	144
Consumer Care and Lighting.....	737	725	15	3,144	67
Others.....	252	400	9	1,329	28
Total.....	6,460	7,654	163	30,814	654
Cost of revenues :					
Global IT Services.....	1,923	2,703	57	9,205	195
<i>Indian IT Services and Products ...</i>					
Indian IT Services	219	267	6	1,011	22
Indian IT Products	1,273	690	15	5,457	116
Consumer Care and Lighting.....	520	490	10	2,215	47
Others.....	192	315	7	962	20
Total.....	4,127	4,465	95	18,850	400
Gross profit.....	2,333	3,189	68	11,964	254
Operating expenses :					
Selling, general, and administrative exp	(1,163)	(1,246)	(26)	(4,835)	(103)
Research and development expenses...	-	(37)	(1)	-	-
Amortization of goodwill.....	-	(44)	(1)	(45)	(1)
Foreign exchange gains / (losses), net.	(12)	46	1	86	2
Gain on sale of property and equipment.	-	14	-	154	3
Operating Income.....	1,158	1,922	41	7,324	155
Other income/ (expense), net	(4)	184	4	315	7
Income taxes.....	(137)	(262)	(6)	(1,150)	(24)
Income before share of equity in earnings of affiliates and minority interest.....	1,017	1,844	39	6,489	138
Equity in earnings of affiliates	(18)	44	1	(53)	(1)
Income from continuing operations.....	999	1,888	40	6,437	137
Discontinued operations					
Income tax benefit on sale of interest.	-	-	-	78	2
Income before cumulative effect of accounting change.....	999	1,888	40	6,514	138
Cumulative effect of accounting change, net of tax.....	(59)	-	-	(59)	(1)
Net income	Rs. 940	Rs. 1,888	\$ 40	Rs. 6,455	137
Earnings per equity share: Basic					
Continuing Operations.....	4.38	8.17	0.17	28.07	0.60
Discontinued operations.....	-	-	-	0.34	0.01
Cumulative effect of accounting change.....	(0.26)	-	-	(0.26)	(0.01)
Net income.....	4.12	8.17	0.17	28.15	0.60
Earnings per equity share: Diluted					
Continuing operations.....	4.35	8.16	0.17	27.83	0.59
Discontinued Operations.....	-	-	-	0.34	0.01
Cumulative effect of accounting change.....	(0.26)	-	-	(0.26)	(0.01)
Net Income.....	4.09	8.16	0.17	27.91	0.59
Additional Information					
Operating Income					
Global IT Services	Rs. 1,068	Rs. 1,866	\$ 40	Rs. 6,018	128
Indian IT Services & Products	96	71	2	764	16
Consumer Care & Lighting	85	91	2	436	9
Others	19	(38)	(1)	291	6
Reconciling Item	(110)	(68)	(1)	(183)	(4)
Total	Rs. 1,158	Rs. 1,922	\$ 41	Rs. 7,325	156

WIPRO LIMITED
CONSOLIDATED BALANCE SHEETS
(in Rs Millions, except share data and unless stated otherwise)

	As of June 30,			As of March 31,	
	2000	2001	2001	2001	2001
	(unaudited)				
ASSETS					
Current assets:					
Cash and cash equivalents	Rs. 686	Rs. 4,632	\$ 98	Rs. 5,623	\$ 119
Accounts receivable, net of allowances	4,379	5,434	115	5,924	126
Inventories	1,744	1,825	39	1,486	32
Investment securities.....	162	152	3	148	3
Deferred income taxes.....	35	104	2	74	2
Other current assets	1,357	3,438	73	2,401	51
Total current assets	8,362	15,585	331	15,657	332
Investment securities	135	2,893	61	2,558	54
Property, plant and equipment, net	3,836	5,971	127	5,668	120
Investments in affiliates	680	734	16	690	15
Deferred income taxes	256	132	3	222	5
Intangible assets, net	10	789	17	833	18
Other assets	327	539	11	534	11
Total assets.....	Rs. 13,606	Rs. 26,643	\$ 566	Rs. 26,162	\$ 556
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current liabilities:					
Borrowings from banks	Rs. 99	Rs. 127	\$ 3	Rs. 347	\$ 7
Current portion of long term debt	1,293	149	3	1,326	28
Accounts Payable.....	1,135	1,542	33	1,847	39
Accrued expenses.....	1,618	2,041	43	1,793	38
Advances from customers.....	891	1,052	22	1,077	23
Other current liabilities	455	461	10	468	10
Redeemable preferred stock	250	-	-	-	-
Total current liabilities.....	5,741	5,372	114	6,858	146
Long-term debt, excluding current portion	211	99	2	95	2
Deferred income taxes	18	98	2	91	2
Other liabilities	56	83	2	37	1
Total liabilities.....	6,026	5,652	120	7,081	150
Stockholders' equity					
Equity shares at Rs. 2 par value: 235,000,000					
Shares authorized as of March 31, 2000 and 375,000,000 shares authorized as of March 31, 2001 and June 30, 2000 and 2001; Issued and outstanding: 229,156,350 shares as of March 31, 2000 and June 30, 2000, 232,433,019 shares as of March 31, 2001 and 232,436,379 shares as of June 30, 2001.....					
Additional paid-in capital	458	465	10	465	10
Deferred stock compensation	805	6,692	142	6,696	142
Deferred stock compensation	(185)	(71)	(2)	(97)	(2)
Accumulated other comprehensive income	2	1		2	
Retained earnings	6,500	13,904	295	12,015	255
Equity shares held by a controlled Trust: 1,216,460, 1,280,885, 1,214,100 and 1,304,460 shares as of March 31, 2000, March 31, 2001, June 30, 2000 and June 30, 2001	*	*	*	*	*
Total stockholders' equity.....	7,580	20,991	446	19,081	405
Total liabilities and stockholders' equity.....	Rs. 13,606	Rs. 26,643	\$ 566	Rs. 26,162	\$ 556
* Equity shares held by a controlled trust	Rs. 73,900	Rs. 75,900		Rs. 74,900	