

WIPRO LIMITED

**FINANCIAL STATEMENTS DERIVED FROM AUDITED CONSOLIDATED
FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH U.S. GAAP
AS OF AND FOR THE YEAR ENDED MARCH 31, 2003**

WIPRO LIMITED
CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)

	As of March 31,		
	2002	2003	2003
			Convenience translation into US\$
ASSETS			
Current assets:			
Cash and cash equivalents	Rs 7,377,200	Rs. 14,096,414	\$ 296,579
Accounts receivable, net of allowances	5,980,903	7,930,847	166,860
Costs and earnings in excess of billings on contracts in progress	1,009,795	1,379,273	29,019
Inventories	1,402,146	1,449,498	30,496
Investment securities	5,043,334	526,969	11,087
Deferred income taxes	149,696	215,299	4,530
Property, plant and equipment held for sale (Note 4).....	-	12,667	267
Other current assets	<u>3,481,308</u>	<u>2,535,809</u>	<u>53,352</u>
Total current assets.....	24,444,382	28,146,776	592,190
Investment securities	450,833	-	-
Property, plant and equipment, net	6,261,857	7,309,784	153,793
Investments in affiliates (Note 5).....	898,319	534,069	11,236
Deferred income taxes	179,088	65,488	1,378
Intangible assets, net (Note 3).....	250	450,362	9,475
Goodwill (Note 3)	656,240	5,186,617	109,123
Other assets	748,165	1,087,795	22,886
Total assets.....	<u>Rs. 33,639,134</u>	<u>Rs. 42,780,891</u>	<u>\$ 900,082</u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Borrowings from banks	Rs. 182,260	Rs. 508,519	\$ 10,699
Current portion of long-term debt	78,993	85,554	1,800
Accounts payable.....	2,238,900	2,236,060	47,045
Accrued expenses	1,249,087	2,221,417	46,737
Advances from customers.....	1,121,107	896,989	18,872
Other current liabilities	<u>779,519</u>	<u>795,273</u>	<u>16,732</u>
Total current liabilities	5,649,866	6,743,812	141,885
Long-term debt, excluding current portion	29,770	9,770	206
Other liabilities	<u>502,231</u>	<u>595,748</u>	<u>12,534</u>
Total liabilities	<u>6,181,867</u>	<u>7,349,330</u>	<u>154,625</u>
Stockholders' equity:			
Equity shares at Rs. 2 par value: 375,000,000 shares authorized; Issued and outstanding: 232,465,689 and 232,563,992 shares as of March 31, 2002 and 2003	464,932	465,129	9,786
Additional paid-in capital	6,817,163	6,946,629	146,153
Deferred stock compensation	(93,201)	(64,008)	(1,347)
Accumulated other comprehensive income/(loss).....	51,861	690	15
Retained earnings	20,216,587	28,083,196	590,852
Equity shares held by a controlled Trust: 1,321,335 and 1,303,610 shares as of March 31, 2002 and 2003	(75)	(75)	(2)
Total stockholders' equity.....	<u>27,457,267</u>	<u>35,431,561</u>	<u>745,457</u>
Total liabilities and stockholders' equity.....	<u>Rs. 33,639,134</u>	<u>Rs. 42,780,891</u>	<u>\$ 900,082</u>

See accompanying notes to the consolidated financial statements.

WIPRO LIMITED
CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except share data)

	Year ended March 31,		
	2002	2003	2003 Convenience translation into US\$
Revenues:			
Global IT Services and Products.....			
Services.....	Rs. 21,279,068	Rs. 28,170,438	\$ 592,688
Products.....	955,281	80,343	1,690
IT Enabled Services.....	-	1,614,049	33,959
India and AsiaPac IT Services and Products.....			
Services.....	1,913,547	2,239,756	47,123
Products.....	5,036,948	5,800,811	122,045
Consumer Care and Lighting.....	2,938,630	2,942,071	61,899
HealthScience.....			
Services.....	274,415	456,239	9,599
Products.....	355,717	449,982	9,467
Others.....	719,864	1,096,211	23,064
Total.....	<u>33,473,470</u>	<u>42,849,900</u>	<u>901,534</u>
Cost of revenues:			
Global IT Services and Products.....			
Services.....	11,296,966	16,437,744	345,839
Products.....	890,730	77,680	1,634
IT Enabled Services.....	-	975,076	20,515
India and AsiaPac IT Services and Products.....			
Services.....	1,160,497	1,186,907	24,972
Products.....	4,268,441	5,099,599	107,292
Consumer Care and Lighting.....	1,999,434	2,008,178	42,251
HealthScience.....			
Services.....	150,532	246,972	5,196
Products.....	257,075	345,776	7,275
Others.....	637,732	798,507	16,800
Total.....	<u>20,661,407</u>	<u>27,176,439</u>	<u>571,774</u>
Gross profit.....	12,812,063	15,673,461	329,759
Operating expenses:			
Selling, general and administrative expenses.....	(4,358,902)	(6,192,653)	(130,289)
Research and development expenses.....	(213,457)	(260,481)	(5,480)
Amortization of goodwill.....	(175,317)	-	-
Amortization of intangible assets.....	(250)	(166,321)	(3,499)
Foreign exchange gains, net.....	218,968	306,639	6,451
Others, net.....	158,474	125,623	2,643
Operating income.....	8,441,579	9,486,268	199,585
Other income, net.....	838,839	717,951	15,105
Income taxes.....	(1,016,003)	(1,342,248)	(28,240)
Income before share of equity in earnings/(losses) of affiliates and minority interest.....	8,264,415	8,861,971	186,450
Equity in earnings/(losses) of affiliates (Note 5).....	147,078	(355,250)	(7,474)
Minority interest.....	-	(30,101)	(633)
Income from continuing operations.....	8,411,493	8,476,620	178,343
Discontinued operations			
Loss from operations of the discontinued corporate Internet services division (including loss on disposal of Rs. 246,120 for the year ended March 31, 2003) (Note 4).....	(126,771)	(536,523)	(11,288)
Income tax benefit (Note 4).....	45,257	158,978	3,345
Net income.....	<u>Rs. 8,329,979</u>	<u>Rs. 8,099,075</u>	<u>\$ 170,399</u>
Earnings per equity share: Basic			
Continuing operations.....	36.39	36.66	0.77
Discontinued operations.....	(0.35)	(1.63)	(0.03)
Net income.....	36.04	35.03	0.74
Earnings per equity share: Diluted			
Continuing operations.....	36.33	36.60	0.77
Discontinued operations.....	(0.35)	(1.63)	(0.03)
Net income.....	35.98	34.97	0.74
Weighted average number of equity shares used in computing earnings per equity share:			
Basic.....	231,132,500	231,204,326	231,204,326
Diluted.....	231,534,876	231,572,448	231,572,448

See accompanying notes to the consolidated financial statements.

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

	Equity Shares		Additional	Deferred	Comprehensive	Accumulated	Retained	Equity Shares held by a		Total	
	No. of Shares	Amount	Paid in	Stock		Comprehensive		Earnings	Controlled Trust		Stockholders'
			Capital	Compensation		Income			Income	No. of Shares	
Balance as of March 31, 2002.....	<u>232,465,689</u>	<u>Rs. 464,932</u>	<u>Rs. 6,817,163</u>	<u>Rs. (93,201)</u>		<u>Rs. 51,861</u>	<u>Rs. 20,216,587</u>	<u>(1,321,335)</u>	<u>Rs. (75)</u>	<u>Rs. 27,457,267</u>	
Cash dividends paid	-	-	-	-	-	-	(232,466)	-	-	(232,466)	
Shares issued by Trust, net of forfeitures	-	-	-	-	-	-	-	17,725	-	-	
Issuance of equity shares on exercise of options	98,303	197	106,612	-	-	-	-	-	-	106,809	
Compensation related to employee stock incentive plan, net of reversals	-	-	22,854	(23,049)	-	-	-	-	-	(195)	
Amortization of compensation related to employee stock incentive plan.....	-	-	-	52,242	-	-	-	-	-	52,242	
Comprehensive income											
Net income	-	-	-	-	Rs. 8,099,075		8,099,075			8,099,075	
Other comprehensive income											
Translation adjustments.....	-	-	-	-	(568)	-	-	-	-	-	
Unrealized gain/(loss) on investment securities.....	-	-	-	-	(50,603)	-	-	-	-	-	
Total other comprehensive income	-	-	-	-	(51,171)	(51,171)	-	-	-	(51,171)	
Comprehensive income					<u>Rs. 8,047,904</u>						
Balance as of March 31, 2003	<u>232,563,992</u>	<u>Rs. 465,129</u>	<u>Rs. 6,946,629</u>	<u>Rs. (64,008)</u>		<u>Rs. 690</u>	<u>Rs. 28,083,196</u>	<u>(1,303,610)</u>	<u>Rs. (75)</u>	<u>Rs. 35,431,561</u>	
Balance as of March 31, 2003 (\$)...		<u>\$ 9,786</u>	<u>\$ 146,153</u>	<u>\$ (1,347)</u>		<u>\$ 15</u>	<u>\$ 590,852</u>		<u>\$ (2)</u>	<u>\$ 745,457</u>	

See accompanying notes to the consolidated financial statements.

WIPRO LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands, except share data)

	Year ended March 31,		
	2002	2003	2003 Convenience translation into US\$
Cash flows from operating activities:			
Net income.....	Rs. 8,329,979	Rs. 8,099,075	\$ 170,399
Adjustments to reconcile net income to net cash provided by operating activities:			
Loss from operations of the discontinued corporate Internet services division.....	81,514	377,545	7,943
(Gain)/loss on sale of property, plant and equipment.....	(26,003)	6,470	136
Depreciation and amortization.....	1,465,555	1,698,028	35,725
Deferred tax charge / (benefit).....	56,403	44,457	935
Gain on sale of investment securities.....	(201,536)	(410,360)	(8,634)
Amortization of deferred stock compensation.....	78,723	52,047	1,095
Equity in (earnings) / losses of affiliates.....	(147,078)	355,250	7,474
Other non-cash items.....	(96,000)	-	-
Income tax benefits arising from exercise of stock options.....	10,577	-	-
Minority interest.....	-	30,101	633
Changes in operating assets and liabilities:			
Accounts receivable.....	(87,295)	(1,640,603)	(34,517)
Costs and earnings in excess of billings on contracts in progress	(944,461)	(369,478)	(7,774)
Inventories.....	64,951	(47,352)	(996)
Other assets.....	(185,779)	(1,120,511)	(23,575)
Accounts payable.....	432,112	(202,298)	(4,256)
Accrued expenses.....	(383,989)	881,421	18,545
Advances from customers.....	127,230	(178,674)	(3,759)
Other liabilities.....	483,983	60,359	1,270
Net cash provided by continuing operations.....	9,058,886	7,635,477	160,645
Net cash provided by discontinued operations.....	11,286	27,861	586
Net cash provided by operating activities.....	<u>9,070,172</u>	<u>7,663,338</u>	<u>161,232</u>
Cash flows from investing activities:			
Expenditure on property, plant and equipment.....	(2,439,238)	(2,529,312)	(53,215)
Proceeds from sale of property, plant and equipment.....	307,501	112,845	2,374
Dividends received from affiliates.....	5,096	49,000	1,031
Purchase of investment securities.....	(9,759,309)	-	-
Proceeds from sale and maturities of investment securities.....	7,198,754	4,897,964	103,050
Investment in inter-corporate deposits.....	(1,013,091)	-	-
Redemption/maturity of inter-corporate deposits.....	-	1,779,288	37,435
Payment for acquisitions, net of cash acquired.....	-	(5,441,072)	(114,477)
Net cash used in continuing operations.....	(5,700,287)	(1,131,287)	(23,802)
Net cash used in discontinued operations.....	(45,625)	-	-
Net cash used in investing activities.....	<u>(5,745,912)</u>	<u>(1,131,287)</u>	<u>(23,802)</u>
Cash flows from financing activities:			
Proceeds from issuance of common stock.....	35,480	106,809	2,247
Proceeds from / (repayments of) short-term borrowing from banks, net	(164,390)	326,259	6,864
Repayment of long-term debt.....	(1,312,465)	(13,439)	(283)
Payment of cash dividends.....	(128,365)	(232,466)	(4,891)
Net cash provided by/(used in) financing activities.....	<u>(1,569,740)</u>	<u>187,163</u>	<u>3,938</u>
Net increase in cash and cash equivalents during the year.....	1,754,520	6,719,214	141,368
Cash and cash equivalents at the beginning of the year.....	5,622,680	7,377,200	155,211
Cash and cash equivalents at the end of the year.....	<u>Rs. 7,377,200</u>	<u>Rs. 14,096,414</u>	<u>\$ 296,579</u>
Supplementary information:			
Cash paid for interest.....	Rs. 69,826	Rs. 30,245	\$ 636
Cash paid for taxes.....	1,251,346	1,859,707	39,127

See accompanying notes to the consolidated financial statements.

WIPRO LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(in thousands, except share data and where otherwise stated)

NOTE 1: OVERVIEW

Wipro Limited (Wipro), together with its subsidiaries Wipro Inc., Wipro Holdings (Mauritius) Limited, Wipro Prosper Limited, Wipro Welfare Limited, Wipro Trademarks Holdings Limited, Wipro Japan KK, Wipro Fluid Power Limited, Wipro Spectramind Services Private Limited, Wipro Healthcare IT Limited and affiliates WeP Peripherals Limited and Wipro GE Medical Systems Limited (collectively, the Company) is a leading India based provider of IT Services and Products, and IT Enabled Services globally. Further, Wipro has other businesses such as India and AsiaPac IT Services and Products, Consumer Care and Lighting and HealthScience. Wipro is headquartered in Bangalore, India.

NOTE 2: BASIS OF PRESENTATION

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States.

The accompanying consolidated financial statements have been prepared in Indian rupees, the national currency of India. Solely for the convenience of the readers, the financial statements as of and for the year ended March 31, 2003 have been translated into United States dollars at the noon buying rate in New York City on March 31, 2003, for cable transfers in Indian rupees, as certified for customs purposes by the Federal Reserve Bank of New York of \$1= Rs.47.53. No representation is made that the Indian rupee amounts have been, could have been or could be converted into United States dollars at such a rate or any other rate.

NOTE 3 : ACQUISITIONS

Wipro Spectramind Services Private Limited (Spectramind)

As of June 30, 2002, the Company held a 15% equity interest in Spectramind, acquired for a consideration of Rs. 192,000. Additionally, the Company held non-voting convertible preference shares acquired for a consideration of Rs. 288,000, which were convertible into equity shares, on occurrence of events specified in the shareholders agreement. As this voting equity interest did not give Wipro the ability to exercise significant influence over the operating and financial policies of Spectramind, the investment was recorded at cost.

In July 2002, the Company acquired a controlling equity interest in Spectramind at an additional cost of Rs. 3,696,552. Consequent to this acquisition, the Company held 89% of the outstanding equity shares of Spectramind. Subsequently, the Company acquired an additional 11% of the outstanding equity shares for Rs. 440,591. The results of operations of Spectramind are consolidated in the Company's financial statements with effect from July 1, 2002.

Spectramind is 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 acquisition is intended to provide a time to market advantage to the Company in addressing the Business Process Outsourcing (BPO) services segment, strengthen the value proposition of being an end-to-end outsourcing solution provider to large corporations and provide synergistic benefits of being able to address the remote processing services requirements of the existing customer base of the Company.

The total purchase price has been allocated to the acquired assets and assumed liabilities as follows :

Description	Fair value
Net tangible assets	Rs. 705,904
Customer-related intangibles	387,000
Marketing-related intangibles	34,300
Goodwill	<u>3,489,939</u>
Total	<u>Rs. 4,617,143</u>

The purchase consideration has been allocated to the assets acquired and liabilities assumed based on management's estimates and independent appraisals.

The intangible assets are amortized over their estimated useful lives in proportion to the economic benefits consumed in each period.

Wipro Healthcare IT Limited (Wipro Healthcare IT)

In August 2002, Wipro acquired a 60% equity interest in Wipro Healthcare IT, an India-based company engaged in the development of health care related software, and the technology rights in the business of Wipro Healthcare IT for an aggregate consideration of Rs. 180,776. On December 31, 2002, the Company acquired the balance 40% equity interest in Wipro Healthcare IT for an aggregate consideration of Rs. 46,980. With respect to the acquisition of the 40% equity interest, the Company will pay an additional consideration of Rs. 50,000 on resolution of specific pre-acquisition contingencies. The additional consideration will be recorded when the contingencies are resolved.

The Company intends to address the market for healthcare information systems in India and South Asia through Wipro Healthcare IT. Further, the Company intends to leverage the domain expertise of Wipro Healthcare IT in addressing the outsourcing requirements of large corporations engaged in the design, development and integration of healthcare information systems.

The total purchase price has been preliminarily allocated to the acquired assets and assumed liabilities as follows:

Description	Fair value
Net tangible assets	Rs. 30,406
Technology-based intangibles	34,300
Customer-related intangibles	62,833
Goodwill	<u>100,217</u>
Total	<u>Rs. 227,756</u>

The Company has allocated an amount of Rs. 50,000 to the pre-acquisition contingencies. The purchase price allocation will be finalized on resolution of these pre-acquisition contingencies.

The intangible assets are amortized over their estimated useful lives in proportion to the economic benefits consumed in each period.

Global energy practice (GEP)

On December 31, 2002, Wipro acquired the global energy practice of American Management Systems for an aggregate consideration of Rs. 1,165,161.

GEP has a team of domain experts and IT consultants providing specialized IT services to clients in the energy and utilities sector. This acquisition enhances Wipro's ability to deliver end-to-end IT solutions primarily in the areas of design and maintenance of complex billing and settlement systems for energy markets and systems and enterprise application integration services.

The total purchase price has been preliminarily allocated to the acquired assets as follows :

Description	Fair value
Net tangible assets	Rs. 126,940
Customer-related intangibles...	98,000
Goodwill.....	940,221
Total	Rs. 1,165,161

The purchase consideration has been allocated on a preliminary basis to the assets acquired and liabilities assumed based on management's estimates and independent appraisals. However, certain independent appraiser's reports are yet to be received by the Company. Finalization of the purchase price allocation, which is expected to be completed in the next 3 months, may result in certain adjustments to the above allocation.

The intangible assets are amortized over their estimated useful lives in proportion to the economic benefits consumed in each period.

NOTE 4 : DISCONTINUED OPERATIONS

The Company was involved in the corporate Internet services (ISP) business since 1999. For strategic reasons, the Company decided to concentrate on its core businesses and as a result in June 2002, the Company decided to exit this division and approved a formal plan of disposal. In accordance with the plan, the Company has sold the customer contracts, disposed a substantial portion of the long-lived assets, settled the trade receivables and settled a portion of the outstanding vendor obligations. The Company is in the process of disposing the balance long-lived assets and settling the balance outstanding vendor obligations. The Company currently expects to complete the disposal by May 31, 2003.

Upon approval of the plan of disposal, the related long-lived assets were reported as held-for-sale and were measured at their fair value, less cost to sell, which was lower than their carrying amount. The loss of Rs. 274,780 resulting from the write-down/sale of the long-lived assets is reported as a loss on disposal. Proceeds from sale of customer contracts aggregating Rs. 28,660 have been reduced from the loss on disposal. The cost of settlement of the vendor obligations aggregating Rs. 97,605 have been reported as other exit costs.

The operations of the ISP division qualify as a component of an entity, being an asset group. As the operations and cash flows of the component will be eliminated from the ongoing operations as a result of the disposal transaction and the Company will not have any significant continuing involvement in the operations of the component after the disposal, the results of operations of the ISP division are reported in discontinued operations for the current and prior periods.

The result of operations of the discontinued component comprise:

	Year ended March 31	
	2002	2003
Revenue.....	Rs. 493,978	Rs. 67,259
Operating costs.....	(620,749)	(260,057)
Other exit costs	-	(97,605)
Loss on disposal.....	-	(246,120)
Income tax benefit	45,257	158,978
Loss on discontinued operations.....	Rs. (81,514)	Rs. (377,545)

NOTE 5 : INVESTMENTS IN AFFILIATES

Wipro GE Medical Systems (Wipro GE)

The Company has accounted for its 49% interest in Wipro GE by the equity method. The carrying value of the investment in Wipro GE as of March 31, 2002 and 2003, was Rs.820,849 and Rs. 400,599 respectively. The Company's equity in the income of Wipro GE for year ended March 31, 2002 was Rs. 234,100 and the Company's equity in the losses of Wipro GE for year ended March 31, 2003 was Rs. 371,250.

WeP Peripherals

The Company has accounted for its 39.7% interest in WeP Peripherals by the equity method. The carrying value of the equity investment in WeP Peripherals as of March 31, 2002 and 2003, was Rs.77,470 and Rs. 133,470 respectively. The Company's equity in the income of WeP Peripherals for the year ended March 31, 2002 and 2003 was Rs. 23,676 and Rs. 16,000 respectively.

NOTE 6: SEGMENT INFORMATION

The Company is organized by segments, including Global IT Services and Products, IT Enabled Services, India and AsiaPac IT Services and Products, Consumer Care and Lighting, HealthScience and 'Others'. Each of the segments has a Vice Chairman / Chief Executive Officer who reports to the Chairman of the Company. The Chairman of the Company has been identified as the Chief Operating Decision Maker as defined by SFAS No. 131, Disclosure about Segments of an Enterprise and Related Information. The Chairman of the Company evaluates the segments based on their revenue growth, operating income and return on capital employed.

The Global IT Services and Products segment provides research and development services for hardware and software design to technology and telecommunication companies and software application development services to corporate enterprises.

The India and AsiaPac IT Services and Products segment focuses primarily on addressing the IT and electronic commerce requirements of companies in India and AsiaPacific region.

The Consumer Care and Lighting segment manufactures, distributes and sells soaps, toiletries, lighting products and hydrogenated cooking oils for the Indian market.

In April 2002, the Company established a new business segment named HealthScience, to address the IT requirements of the emerging healthcare and life sciences market. The healthcare and life sciences sector clients of the Global IT Services and Products segment were transferred to the newly established HealthScience segment. Further, Wipro Biomed, a business segment which was previously reported in 'Others', became a part of the HealthScience segment. Similarly, during the year ended March 31, 2003, certain other business segments previously reported in 'Others' were integrated with India and AsiaPac IT Services and Products segment. Segment data for previous periods has been reclassified on a comparable basis.

In July 2002, the Company acquired Spectramind. The operations of Spectramind are organized as a new business segment named IT Enabled Services. This segment provides BPO services to large global corporations in the US, UK, Australia and other developed markets.

Financial information for the discontinued ISP division was previously reported in 'Others'. The segment information presented excludes these results of operations, which are now reported outside of continuing operations.

Others consist of various business segments that do not meet the requirements individually for a reportable segment as defined in SFAS No. 131. Corporate activities such as treasury, legal and accounting, which do not qualify as operating segments under SFAS No. 131 have been considered as reconciling items.

Information on reportable segments is as follows:

Year ended March 31, 2002							
	Global IT Services and Products	India and AsiaPac IT Services and Products	Consumer Care and Lighting	HealthScience	Others (net of eliminations)	Reconciling Items (2)	Entity Total
Revenues	Rs. 22,234,349	Rs. 6,950,495	Rs. 2,938,630	630,132	Rs. 719,864	Rs. -	Rs.33,473,470
Exchange rate fluctuations.....	255,810	(202)	411	-	87	(256,106)	-
Total revenues ..	22,490,159	6,950,293	2,939,041	630,132	719,951	(256,106)	33,473,470
Cost of revenues	(12,187,696)	(5,428,938)	(1,999,434)	(407,607)	(637,732)	-	(20,661,407)
Selling, general and administrative expenses	(2,508,936)	(945,785)	(539,347)	(175,270)	(75,789)	(113,775)	(4,358,902)
Research and development expenses.....	(213,457)	-	-	-	-	-	(213,457)
Amortization of intangible assets	-	-	-	-	-	(250)	(250)
Exchange rate fluctuations.....	-	-	-	-	-	218,968	218,968
Others, net	(2,395)	2,786	3,256	-	18,542	(39,032)	(16,843)
Operating income of segment	<u>Rs. 7,577,675</u>	<u>Rs. 578,356</u>	<u>Rs. 403,516</u>	<u>47,255</u>	<u>Rs. 24,972</u>	<u>Rs. (190,195)</u>	<u>Rs. 8,441,579</u>
Total assets of segment (3)	Rs. 11,196,573	Rs. 3,532,129	Rs. 1,076,291	Rs. 255,674	Rs. 776,705	Rs. 16,801,762	Rs. 33,639,134
Capital employed (3).....	9,019,446	1,017,399	730,849	159,936	520,963	16,801,928	28,250,521
Return on capital employed (1), (3).....	90%	55%	51%	34%	-	-	-
Accounts receivable	3,700,657	1,810,889	172,426	103,632	84,592	108,707	5,980,903
Depreciation	974,452	153,157	61,596	5,565	27,709	67,509	1,289,988

Year ended March 31, 2003								
	Global IT Services and Products	IT Enabled Services	India and AsiaPac IT Services and Products	Consumer Care and Lighting	HealthScience	Others (net of eliminations)	Reconciling Items (2)	Entity Total
Revenues	Rs. 28,250,781	Rs. 1,614,049	8,040,567	2,942,071	Rs. 906,221	Rs. 1,096,211	Rs. -	Rs. 42,849,900
Exchange rate fluctuations.....	297,800	29,846	5,685	607	(6,246)	(2,985)	(324,707)	-
Total revenues ..	28,548,581	1,643,895	8,046,252	2,942,678	899,975	1,093,226	(324,707)	42,849,900
Cost of revenues	(16,515,424)	(975,076)	(6,286,506)	(2,008,178)	(592,748)	(798,507)	-	(27,176,439)
Selling, general and administrative expenses	(3,684,577)	(285,988)	(1,283,235)	(513,310)	(295,938)	(96,461)	(33,144)	(6,192,653)
Research and development expenses	(260,481)	-	-	-	-	-	-	(260,481)
Amortization of intangible assets	(10,221)	(135,000)	-	-	(21,100)	-	-	(166,321)
Exchange rate fluctuations.....	-	-	-	-	-	-	306,639	306,639
Others, net	12,043	(1,290)	62,801	891	5,681	5,722	39,775	125,623
Operating income of segment	<u>Rs. 8,089,921</u>	<u>Rs. 246,541</u>	<u>Rs. 539,312</u>	<u>Rs. 422,081</u>	<u>Rs. (4,130)</u>	<u>Rs. 203,980</u>	<u>Rs. (11,437)</u>	<u>Rs. 9,486,268</u>
Total assets of segment (3)	Rs. 16,572,857	Rs. 5,404,468	Rs. 3,472,802	Rs. 1,085,692	Rs. 780,638	Rs. 821,731	Rs. 14,642,703	Rs. 42,780,891
Capital employed (3).....	14,062,033	4,966,468	1,071,198	691,506	500,752	631,271	14,707,924	36,631,152
Return on capital employed (1),(3)	70%	15%	52%	59%	(1%)	-	-	-
Accounts receivable	5,270,785	258,470	1,665,747	197,412	314,926	223,507	-	7,930,847
Depreciation	1,048,222	149,931	173,766	61,276	16,718	31,755	50,039	1,531,707

(1) Return on capital employed is computed based on the average of the capital employed at the beginning and at the end of the period.

(2) Reconciling items include assets of the discontinued ISP division.

(3) The total assets, capital employed and return on capital employed for the India and AsiaPac IT Services and Products segment excludes the impact of certain acquisition-related goodwill. This goodwill of Rs. 656,240 is reported as a component of reconciling items.

The Company has four geographic segments: India, the United States, Europe and Rest of the world.

Revenues from the geographic segments based on domicile of the customer is as follows:

	Year ended March 31,	
	2002	2003
India.....	Rs. 11,044,014	Rs. 12,141,251
United States.....	12,688,593	20,047,947
Europe.....	8,255,195	8,502,650
Rest of the world.....	<u>1,485,668</u>	<u>2,158,052</u>
	<u>Rs. 33,473,470</u>	<u>Rs. 42,849,900</u>

NOTE 7: RECLASSIFICATIONS

The Company has reclassified certain costs for year ended March 31, 2002, from selling, general and administrative expenses to cost of revenues to conform to the current presentation. The impact of this reclassification on reported gross profit is Rs. 332,463, which is not material. Certain other reclassifications have been made to conform prior period data to current presentation. The above reclassifications had no impact on reported net income or stockholders' equity.