

REPORT ON CORPORATE GOVERNANCE

Securities and Exchange Board of India (SEBI) has at its meeting held on January 25, 2000 considered the recommendations of the Kumaramangalam Birla Committee on Corporate Governance and decided to implement the recommendations through an amendment to the Listing Agreement of companies listed with the stock exchanges.

Over the years Wipro has shown a commitment towards effective corporate governance and has always been at the forefront of benchmarking its internal systems and policies with global standards. Consistent with this commitment, Wipro believes that it needs to show a great degree of responsibility and accountability. We are happy to inform you that our company's existing practices and policies are significantly in conformity with the requirements stipulated by SEBI.

Given below is a Report on Corporate Governance in Wipro Limited.

I BOARD OF DIRECTORS

A *The Board of Directors of the company shall have an optimum combination of executive and non-executive directors with not less than fifty per cent of the Board of Directors comprising of non executive directors. In case the company has an executive chairman, at least half of the Board should comprise of independent directors.*

The details of the Directors on the Board of your Company are given below;

a. PROMOTER DIRECTOR

Name	Date of Appointment	Designation	No. of meetings held during the last financial year	No. of meetings attended	Number of memberships in Boards of other Companies
Azim H Premji	September 1968	Chairman and Managing Director	4	4	15

b. EXECUTIVE DIRECTORS

Name	Date of Appointment	Designation	No. of meetings held during the last financial year	No. of meetings attended	Number of memberships in Boards of other Companies
P.S. Pai	January 1999	Vice Chairman	4	4	Nil
Arun K. Thiagarajan	January 1999	Vice Chairman	4	4	1
Vivek Paul	July 1999	Vice Chairman	4	3*	Nil

* attended all meetings after he came on the Board

c. INDEPENDENT NON EXECUTIVE DIRECTORS

Name	Date of Appointment	Designation	No. of meetings held during the last financial year	No. of meetings attended	Number of memberships in Boards of other Companies
Hamir K. Vissanji	September 1956	Director	4	4	6
N. Vaghul	June 1997	Director	4	4	10
B.C. Prabhakar	February 1997	Director	4	4	Nil
Jagdish N. Sheth	January 1999	Director	4	3	2
Ashok Ganguly	January 1999	Director	4	4	7

d. NOMINEE DIRECTOR

Name	Date of Appointment	Designation	No. of meetings held during the last financial year	No. of meetings attended	Number of memberships in Boards of other Companies
Nachiket Mor	November 1996	Director	4	2	2

B All pecuniary relationship or transactions of the non executive directors vis a vis, the company should be disclosed in the Annual Report.

None of the non-executive directors of the Company have any pecuniary relationship or transactions with the Company other than fees paid for professional services rendered by them. Details of such fees are given at Serial No.III B(b) of this report.

II AUDIT COMMITTEE

A qualified and independent Audit Committee shall be set up having a minimum of three independent non executive directors as members. The role of the Audit Committee shall include the following;

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for repayment for any other services
- Reviewing with management the annual financial statements before submission to the Board

Our Company has had an Audit Committee since 1987. Currently, Mr. Hamir K. Vissanji, Mr. N. Vaghul and Mr. Nachiket Mor are members of the Audit Committee, with Mr. Vissanji as Chairman. Meetings of the Audit Committee are attended by all members.

The current Charter of the Audit Committee is in line with international best practices and the regulatory changes formulated by SEBI and the listing agreements with the stock exchanges on which we are listed.

III REMUNERATION OF DIRECTORS
A The remuneration of the non executive directors shall be decided by the Board of Directors.

The remuneration of the non executive directors of our Company are decided by the Board of Directors of the Company.

B Appropriate disclosures on the remuneration of directors has to be made in the section on the corporate governance of the Annual Report.

Given below are the details of actual payments made during the financial year 1999-2000 to the Directors of the Company.

a) PROMOTER AND EXECUTIVE DIRECTORS

	Azim H Premji (Rs.)	P.S. Pai (Rs.)	Vivek Paul* (Rs.)	Arun K Thiagarajan (Rs.)	Ashok Soota** (Rs.)
Basic Salary	2,100,000	1,950,000	7,425,450	1,560,000	629,032
Allowances	-	1,530,000	300,000	900,000	314,518
Commission and Incentives	13,959,500	3,699,835	6,979,750	3,489,875	1,943,359
Deferred Benefits (including PF, Pension)	2,583,575	526,500	1,113,818***	421,200	75,484
Number of stock options granted	-	15,000	25,000	-	-

* employed from July 1999. Figures mentioned above are Rupee equivalent – as amounts are paid in US Dollars.

** employed upto August 7, 1999.

*** will be paid in 2000-01 for the preceding year

In addition, the above Directors are entitled to rent free furnished residential accommodation or house rent allowance, leave travel concession, reimbursement of medical expenses, club fees, personal accident insurance, fully maintained company car with driver, interest subsidy on housing loan, etc. as per Company policy.

b) Non Executive Directors – Professional Fees paid during the last financial year

Four of our non executive directors are paid professional fees as detailed hereunder.

	Ashok Ganguly Rs. per year	B.C. Prabhakar Rs. per year	N. Vaghul Rs. per year	Dr. Jagdish N. Sheth Rs. per year
Professional fees	Rs. 8,00,000/-	Rs. 4,00,000/-	Rs. 4,00,000/-	Rs.11,16,250/-*

* Figures mentioned above are Rupee equivalent – as amounts are paid in US Dollars.

COMPENSATION AND BENEFITS COMMITTEE

Currently, our Company's Compensation and Benefits Committee has Mr. Hamir K. Vissanji, Mr. N. Vaghul and Mr. B. C. Prabhakar as members, with Mr. Vaghul as the Chairman.

The current Charter of the Compensation and Benefits Committee is in line with international best practices and the regulatory changes formulated by SEBI and the Listing Agreements with the stock exchanges on which we are listed.

IV BOARD PROCEDURE

A. The Board of Directors of a company shall meet at least four times a year, with a maximum time gap of four months between any two meetings.

We hold a minimum of four Board meetings every year. During the last financial year, our Board met on April 30, 1999, July 29, 1999, October 29, 1999 and January 21, 2000.

B. The company further agrees that a director shall not be a member in more than 10 committees or act as chairman of more than five committees across all companies in which he is a director.

None of the Directors of our Company is a member in more than 10 committees or act as chairman of more than five committees across all companies in which he is a director.

V MANAGEMENT

A Management discussion and analysis report shall form part of the Annual Report to the shareholders

Sent separately as an annexure to the Annual Report.

B Disclosures must be made by the management to the Board relating to all material financial and commercial transactions, where they have personal interest, that may have a potential conflict with the interest of the Company at large.

Periodical disclosures of this requirement are made by the management from time to time.

VI SHAREHOLDERS

A In the case of appointment of a new director or re-appointment of a director, the shareholders must be provided with the following information;

- a brief resume of the director
- nature of his expertise in specific functional areas
- names of companies in which the person also holds the directorship and the membership of committees of the Board

The relevant information relating to the Directors who would be re-appointed at the ensuing Annual General Meeting to be held on July 27, 2000 are given below:

B.C. Prabhakar has been as our Director since February 1997. Mr Prabhakar holds a Bachelor of Arts in Political Science and Sociology and an L.L.B. from Mysore University. Mr Prabhakar does not hold directorship in any other company.

Narayan Vaghul has been our Director since June 1997. Mr Vaghul has had a long and distinguished career as a banker. Mr Vaghul had worked with Central Bank of India as Executive Director from 1978 to 1981 and Bank of India as Chairman & Managing Director from 1981 to 1984. From 1985 till date, Mr Vaghul has been Chairman of The Industrial Credit and Investment Corporation of India Limited. Mr. Vaghul is also a Director of Mahindra and Mahindra Ltd., Nicholas Piramal India Ltd. and Air India Limited. Mr. Vaghul holds a B. Commerce in Banking from Madras University.

Hamir K. Vissanji has been our Director since September 1956. Mr Vissanji has been Chief Executive Officer of BMD Chemicals Pvt Ltd. since January 1995. Mr. Vissanji holds a Masters in Commerce from Bombay University.

B All information like quarterly result, presentation made by companies to analyst shall be put on Company's website,

Our Quarterly and Half-yearly results are displayed on the following web-sites i.e. www.wiproindia.com and www.wipro.com

We also regularly provide information to the stock exchanges as per the requirements of the Listing Agreements and update our websites periodically to include information on new developments and business opportunities of the Company.

C A Board committee under the chairmanship of a non executive director shall be formed to specifically look into the redressing of shareholder and investors' complaints like transfer of shares, non receipt of balance sheet, non receipt of declared dividends, etc. This committee shall be designated as 'shareholders/investors grievance committee'

We have an Administrative Committee of the Board of Directors with Mr. Azim H. Premji and Mr. B. C. Prabhakar as members. In addition to transfer of shares, this Committee will also look into redressal of shareholder and investor complaints.

D The Board of the company shall delegate the power of share transfer to an officer or a committee or to the registrar and share transfer agents so as to expedite the process of share transfers.

The Registrar and Share Transfer Agents process share transfers within 10 days of date of lodgement in the case of shares held in physical form.

VII COMPLIANCE

A certification shall be obtained from the auditors of the Company regarding compliance of conditions of corporate governance as stipulated and the same sent to shareholders along with the directors' report which is sent annually to all shareholders of the company.

The certificate dated May 25, 2000 obtained from our statutory Auditors M/s N M Rajji & Co. is given at page No.19 of the Annual Report.

VIII COMPLIANCE OFFICER

The name and designation of the Compliance Officer of the Company is Mr. Suresh C. Senapaty, Corporate Executive Vice President – Finance.

In addition, shareholders can contact Mr. J. Shankar, Corporate Treasurer on financial matters and Mr. Satish Menon, Company Secretary and Corporate Counsel on all legal and secretarial matters.

Their contact details are given below:

Name	Telephone Number	Email id	Fax No.
S C Senapaty	8440011-Extn 113 8440055 (Direct)	suresh.senapaty@wipro.com	8440104
J Shankar	8440011-Extn 170 8440079 (Direct)	shankar.jaganathan@wipro.com	8440051
Satish Menon	8440011-Extn 180 8440078 (Direct)	satish.menon@wipro.com	8440051

IX GENERAL BODY MEETINGS

During the last three years, our Annual General Meetings have been held either at the Rotary Club Hall or The Oberoi. The meetings were held at 4.30 p.m.

Resolutions are generally passed on a show of hands.

Attendance at AGMs and EGMs during the last financial year:

July 29, 1999 At this meeting, all the Directors were present except one.

December 13, 1999 At the Extraordinary General Meeting, three Directors were present viz Mr Azim H Premji, Mr Arun K Thiagarajan and Mr B C Prabhakar.

X GENERAL SHAREHOLDERS INFORMATION

The following information would be useful to our shareholders:

- As indicated in the Notice to our shareholders, the Annual General Meeting of the Company will be held on July 27, 2000. The time and venue of the meeting is as indicated in the Notice.
- Financial Calender : April 1 to March 31.
- Date of book closure : May 24, 2000 to May 31, 2000 for payment of interim dividend.
- Dividend payment date : Our company paid interim dividend to all the shareholders on May 31, 2000. The interim dividend is also being recommended as the final dividend for the year 1999-2000.
- Listing on Stock Exchanges: The shares of the Company are listed on five stock exchanges in India i.e. The Stock Exchange,

Mumbai, National Stock Exchange of India Ltd. Mumbai, Bangalore Stock Exchange Ltd., Stock Exchange-Ahmedabad, and Cochin Stock Exchange Ltd..

- (f) Stock Code – 7685 in The Stock Exchange, Mumbai
- (g) Market Price Data: High, low during each month in last financial year. Performance in comparison to broad based indices such as BSE Sensex, etc. The information is given at page No. 19 of the Annual Report.
- (h) Karvy Consultants are our Registrars and Share Transfer Agents. Their contact details are: Karvy Consultants Limited, 51/2 Vanilvilas Road, T K N Complex, Opposite National College, Basavangudi, Bangalore. Telephone: (080) 6613400, 6610147
- (i) In respect of transfer of shares, shareholders are advised to contact Karvy Consultants Limited directly.
- (j) We received 27 shareholder complaints during the last quarter of the financial year. To the best of knowledge of the Company, these complaints were solved to the satisfaction of the shareholders.
- (k) As of May 24, 2000, the distribution of our shareholding was as follows:

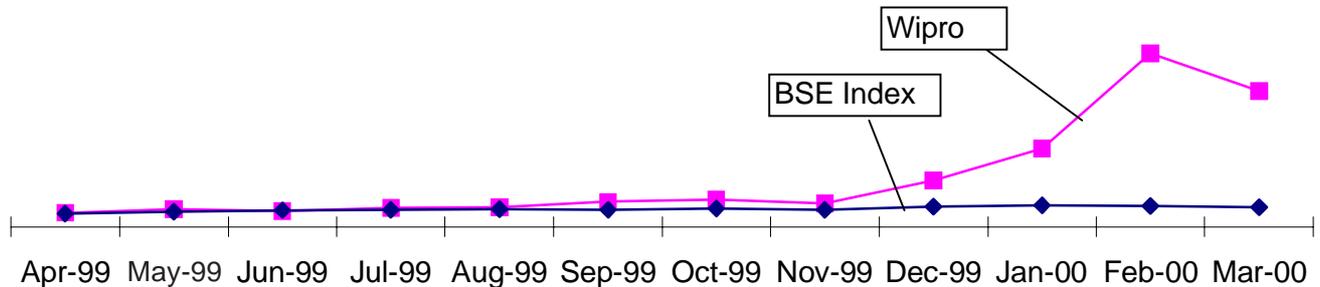
Category	No. of shareholders	Percentage	No. of shares	Percentage
1- 500	31790	93.09	1143776	0.50
501-1000	881	2.58	715261	0.31
1001-2000	531	1.55	803199	0.35
2001-3000	235	0.69	623105	0.27
3001-4000	102	0.30	368982	0.16
4001-5000	86	0.25	396529	0.17
50001-10000	178	0.52	1310126	0.57
Above 10001	346	1.01	223795372	97.66
Total	34149	100	229156350	100

- (l) Dematerialisation of shares: Over 95% of the outstanding shareholding of the Company have been dematerialised.
- (m) As of date, we have no outstanding convertible instruments.
- (n) Our manufacturing facilities are located at ;

Mysore	312, Hebbal Industrial Area, Mysore 570 016. 105, Hootagalli Industrial Area, Mysore 571 186
Pondicherry	A-28, Thattanchavady Industrial Estate, Pondicherry 605 009
Peenya	9B-10A, Peenya Industrial Area, Phase-1, Bangalore 560 058
Hindupur	226C/226D, Industrial Development Area, APIIC, Hindupur 515 211
Gurgaon	Plot No.480-481, Section 20, Udyog Vihar, Phase III, Gurgaon, Haryana
Amalner	P O Box No.12, Amalner 425401, Dist.Jalgaon.
Guduvancherry	120/1 Vellacheri, Guduvanchery, Tamil Nadu 603 202
Tumkur	Plot No.4 Anthrasanahalli Industrial Area, Tumkur 572 106
Waluj	L-8, MIDC, Waluj, Aurangabad 431 136

- (o) We have our Software Technology Parks in India located at:
88, M G Road, S B Towers, Bangalore 560 001; 37, Castle Street, Bangalore 560 025; K-312, Koramangala Industrial Layout, V Block, Koramangala, Bangalore 560 095 ; 271-271A, Sri Ganesh Complex, Hosur Main Road, Madiwala, Bangalore 560 068 ; Information Technology Park, Whitefield, Bangalore; 111, Mount Road, Guindy, Chennai ; 2nd Floor, Surya Towers E Block, 105 S P Road, Secunderabad 500 003 ; Basappa Complex, 49/1A Lavelle Road, Bangalore 560 001 ; 30, Mission Road, 1st Main, S R Nagar, Bangalore 560 027 ; 8, 7th Main Block, Koramangala, Bangalore 560 095 ; 26, Sri Chamundi Complex, Madiwala-II, Bommanahalli, Hosur Main Road, Bangalore 560 068 ; A-314, Block III, KSSIDC Multistoried Complex, Keonics Electronics City, Bangalore ; 1-8-448, Lakshmi Buildings, S P Road, Begumpet, Secunderabad ; Sharada Arcade, 685/2B&685/2C, Satara Road, Pune 411 037 ; 201, Block A, STP Complex, Electronics City, Sector 18, Gurgaon 122 015 ; Plot No.4311, A2&A3, Excel Apartments, Panchayat Road, Chennai 600 096 ; Survey Nos.64, Serilingampalli Mandal, Madhavpur, Hyderabad 500 033 ; Interop Solutions, 147, Metagalli Industrial Area, Mysore 570 016
- (p) Members can contact us at our registered office:
Wipro Limited, Doddakannelli, Sarjapur Road, Bangalore 560 035. Telephone: (91-80) 8440011. Fax: (91-80) 8440051.

Share price of Wipro and BSE index - Monthly high



	WIPRO SHARE PRICE IN BSE		BSE SENSEX DURING EACH MONTH		WIPRO PRICE MOVEMENT		SENSEX MOVEMENT		
	High	Low	High	Low	High	Low	High	Low	
Apr-99	810	633	Apr-99	3785	31.83				
May-99	998	730	May-99	4197	3876	23%	15%	11%	22%
Jun-99	885	783	Jun-99	4678	3830	-11%	7%	11%	-1%
Jul-99	1070	806	Jul-99	4810	4463	21%	3%	3%	17%
Aug-99	1115	945	Aug-99	4966	4480	4%	17%	3%	0%
Sep-99	1410	1350	Sep-99	4871	4514	26%	43%	-2%	1%
Oct-99	1544	1070	Oct-99	5151	4267	10%	-21%	6%	-5%
Nov-99	1325	998	Nov-99	4770	4209	-14%	-7%	-7%	-1%
Dec-99	2625	1252	Dec-99	5668	5184	98%	26%	19%	23%
Jan-00	4436	2400	Jan-00	6151	5128	69%	92%	9%	-1%
Feb-00	9800	4012	Feb-00	5829	4867	121%	67%	-5%	-5%
Mar-00	7667	4240	Mar-00	5543	4432	-22%	6%	-5%	-9%

Share Price of Wipro has been retroactively restated for the 5:1 stock split effected in October 1999.

AUDITORS' CERTIFICATE

We refer to circular dated 21 February, 2000 issued by the SEBI in respect of incorporation of new clause 49 in the listing agreement for corporate governance. We, the statutory auditors of Wipro Ltd. (the Company), have reviewed the steps taken by the management of the Company to implement requirements of the said clause.

On the basis of our view, in our opinion, the Company has complied with the mandatory requirements specified in the said clause, other than those stated below:

- Setting up of a board committee to look into redressing of shareholder and investor complaints.

The company has taken steps to comply with the above requirements in the year 2000-2001.

For N.M. RAIJI & CO.
Chartered Accountants

Place : Mumbai
Dated : May 25, 2000

(J.M. GANDHI)
Partner