

WIPRO LIMITED
BALANCE SHEET AS AT SEPTEMBER 30, 2000
(in rupees thousands)

	Schedule	As of September 30,		As of March 31,
		2000	1999	2000
SOURCES OF FUNDS				
Shareholders' funds				
Share Capital	1	708,313	708,313	708,313
Reserves and Surplus	2	9,556,573	5,885,918	6,994,576
		10,264,886	6,594,231	7,702,889
Loan Funds				
Secured loans	3	468,367	2,215,982	492,319
Unsecured loans	4	41,401	530,581	86,669
		509,768	2,746,563	578,988
Capital Employed		10,774,654	9,340,794	8,281,877
APPLICATION OF FUNDS				
Fixed Assets				
Gross block	5	7,694,402	6,189,452	6,757,891
Less : Depreciation		3,212,906	2,663,972	2,928,679
<i>Net Block</i>		4,481,496	3,525,480	3,829,212
Capital work-in-progress and advance for Capital expenditure		570,177	794,509	708,824
		5,051,673	4,319,989	4,538,036
Investments	6	568,299	927,712	446,298
Current assets, loans and advances				
Inventories	7	1,199,533	1,544,356	1,340,159
Sundry Debtors	8	4,861,869	3,827,916	4,469,381
Cash and bank balances	9	945,024	446,373	747,290
Loans and advances	10	2,709,866	1,721,862	1,226,562
		9,716,292	7,540,507	7,783,392
Current liabilities and provisions				
Liabilities	11	4,091,981	3,145,857	4,047,587
Provisions	12	469,629	301,557	438,262
		4,561,610	3,447,414	4,485,849
Net Current Assets		5,154,682	4,093,093	3,297,543
Capital Employed		10,774,654	9,340,794	8,281,877

Significant accounting policies and notes to accounts

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

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, October 31, 2000

Bangalore, October 31, 2000

J M Gandhi
Partner

WIPRO LIMITED
PROFIT AND LOSS ACCOUNT
(in rupees thousands)

	Schedule	Six Months ended September 30,		Year ended
		2000	1999	March 31, 2000
INCOME				
Sales and Services		13,589,159	9,848,054	22,735,614
Other Income	13	226,236	79,474	257,307
		13,815,395	9,927,528	22,992,921
EXPENDITURE				
Cost of goods sold	14	8,206,491	6,461,517	14,976,277
Selling, general and administrative expenses	15	2,640,624	2,022,348	4,223,286
Interest on borrowings	16	34,789	192,410	286,682
		10,881,904	8,676,275	19,486,245
PROFIT BEFORE TAXATION AND NON RECURRING / EXTRAORDINARY ITEMS		2,933,491	1,251,253	3,506,676
Provision for taxation		316,475	68,540	501,000
PROFIT AFTER TAX BEFORE NON-RECURRING / EXTRAORDINARY ITEMS		2,617,016	1,182,713	3,005,676
Non recurring / extraordinary items	18	-	-	523,091
PROFIT FOR THE PERIOD		2,617,016	1,182,713	2,482,585
Appropriations				
Interim Dividend on Preference Shares		-	-	25,625
Interim Dividend on Equity Shares		-	-	68,747
Corporate tax on dividend		-	-	10,392
Profit & Loss balance carried forward		2,617,016	1,182,713	
Transfer to general reserve				2,377,819

Significant accounting policies and notes to accounts

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As per our report attached
For N M Rajji & Co.,
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For and on behalf of the Board of Directors

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

Bangalore, October 31, 2000

Bangalore, October 31, 2000

WIPRO LIMITED

(in rupees thousands, except share numbers)

SCHEDULE 1	SHARE CAPITAL	As on		As on
		September 30, 2000	1999	March 31, 2000
Authorised				
375,000,000 Equity shares of Rs 2 each (2000 : 235,000,000 equity shares of Rs 2 each, 1999 : 46,000,000 equity shares of Rs 10 each)		750,000	460,000	470,000
2,500,000 (2000 : 2,500,000) 10.25 % Redeemable Cumulative Preference Shares of Rs 100 each		250,000	250,000	250,000
		1,000,000	710,000	720,000
Issued, subscribed and paid-up				
229,156,350 equity shares of Rs 2 each (2000 : 229,156,350, 1999 : 45,831,270 equity shares of Rs 10 each)		458,313	458,313	458,313
2,500,000 (2000 : 2,500,000, 1999: 2,500,000) 10.25 % Redeemable Cumulative Preference Shares of Rs 100 each		250,000	250,000	250,000
		708,313	708,313	708,313

Notes :

- The par value of equity shares was reduced from Rs 10 to Rs 2 in October 1999.
- Of the above equity shares :
 - 226,905,825 equity shares of Rs 2 (2000 : 226,905,825, 1999 : 453,811,65 equity shares of Rs 10 each), 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 : 265,105 equity shares of Rs 10 each) have been allotted as fully paid-up, pursuant to a scheme of amalgamation, without payment being received in cash
- Preference shares are redeemable at par in December 2000.

SCHEDULE 2 RESERVES AND SURPLUS

	As of April 1, 2000	Additions	Deductions	As of September 30, 2000
Capital Reserves	114,047	750 (a)	-	114,797
	166,047			166,047
	166,047	-	52,000 (b)	114,047
Capital Redemption Reserve	38	-	-	38
	38			38
	38	-	-	38
Revaluation Reserve	1,047,110	-	55,769 (c)	991,341
	1,110,455		28,896	1,081,559
	1,110,455	-	63,345	1,047,110
Debenture Redemption Reserve	-	-	-	-
	6,666			6,666
	6,666	-	6,666 (d)	-
Investment Allowance Reserve	14,500	-	-	14,500
	15,022			15,022
	15,022	-	522 (d)	14,500
Profit & Loss account	-	2,617,016	-	2,617,016
	-	1,182,713	-	1,182,713
General Reserve	5,818,881	-	-	5,818,881
	3,464,230		30,357 (f)	3,433,873
	3,464,230	2,385,008 (e)	30,357	5,818,881
	6,994,576	2,617,766	55,769	9,556,573
	4,762,458	1,182,713	59,253	5,885,918
TOTAL	4,762,458	2,385,008	152,890	6,994,576

Corresponding figures for the previous periods ended September 30, 1999 and March 31, 2000 are given below current periods figures

- Capital subsidy received
- Transfer to Profit and Loss account
- Transfer to Profit and Loss account Rs 24,820 (2000 : Rs 45,546, 1999 : Rs 28,896) and reduction on account of sale of revalued assets and other adjustments Rs 30,949 (2000 : Rs 17,799, 1999 : Rs Nil)
- Transfers to general reserve
- 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) .
- 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
		September 30,		March 31,
		2000	1999	2000
Debentures	a		6,667	
From banks				
Line of credit from consortium of banks	b	146,894	1,634,637	96,091
External Commercial Borrowings	c	194,698	354,364	269,453
From Financial Institutions				
Asset Credit Scheme	d	88,200	108,200	88,200
Term Loans	e	36,900	110,285	36,900
Development Loan from Government of Karnataka	f	1,675	1,675	1,675
Others		-	154	-
		468,367	2,215,982	492,319

Notes :

- 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.
- 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.
- 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.
- Secured by hypothecation of specific machinery / assets.
- Rs Nil (2000 : Rs Nil, 1999 : Rs 29,806) secured by first mortgage on immovable properties and hypothecation of movable assets except book debts of the lighting unit.
 - Rs Nil (2000: Rs Nil, 1999 : Rs 1079) secured by first mortgage on immovable properties and hypothecation of movable fixed assets of the plant at Hindupur.
 - 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.
 - 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.
 - Rs 20,300 (2000: Rs 20,300 , 199: Rs 35,300) secured by a first charge on certain movable properties at Bangalore.
 - 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.
- 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
	September 30,		March 31,
	2000	1999	2000
Fixed Deposits	886	891	886
Short Term Loans and advances			
From Banks			
Others		150,000	49,692
Commercial Paper	-	350,000	-
Other loans and advances			
Interest free loan from government	39,265	28,440	34,841
Loans from state financial institutions	1,250	1,250	1,250
	41,401	530,581	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 Sept 30, 2000	As on April 1, 2000	Depreciation for the period	Deductions / adjustments	As on Sept 30, 2000	As on Sept 30, 2000	As on March 31, 2000
Land	377,335	123,877	8,163	493,050	352	25	-	377	492,673	376,984
Buildings	1,300,495	263,330	93,381	1,470,444	131,832	12,740	4,483	140,089	1,330,355	1,168,663
Railway siding	4,000	-	-	4,000	3,599	-	-	3,599	401	401
Plant and Machinery	4,197,214	657,283	149,649	4,704,848	2,402,625	335,792	114,630	2,623,787	2,081,061	1,794,589
Furniture fixture and equipment	651,714	132,319	15,386	768,647	274,865	56,106	11,341	319,630	449,017	376,849
Vehicles	217,729	45,456	12,848	250,337	110,738	21,110	8,375	123,473	126,864	106,991
Technical Know-how	9,382	-	6,306	3,076	4,647	232	2,928	1,951	1,125	4,735
Patents and trade marks	21	-	21	0	21	-	21	-	-	-
Total	6,757,891	1,222,265	285,754	7,694,402	2,928,679	426,005	141,778	3,212,906	4,481,496	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
September 30, 1999	5,615,301	591,778	17,627	6,189,452	2,330,326	332,402	(1,245)	2,663,972	3,525,480	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 :

- i) includes shares worth Rs 2 (2000 : Rs 2, 1999: Rs 2)
- ii) includes leasehold land property Rs 4,241 (2000 : Rs 4,241, 1999 : Rs 4,241)
- iii) 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 11,762) 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 24,820 (2000 : Rs 45,546, 1999 : Rs 28,896) transferred from revaluation reserve.

h. In gross block, deduction / adjustment on sale / discard of revalued asset includes deduction of Rs 49,550 (2000 : Rs 23,721, 1999 : Rs Nil) 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 Nil) 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.

(in rupees thousands except share numbers and face value)

SCHEDULE 6 INVESTMENTS

(Long term- at cost)

All shares are fully paid up

	Number	Face value	As on September 30,		Year ended March 31,
			2000	1999	2000
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	105,940	105,940	105,940
Wipro Japan KK, Japan	650	JPY 50,000	9738	9738	9,738
Wipro Net Limited (note a, b)	10,524,385	Rs 10	105,244	152,192	105,244
NetKracker Limited					
(100 shares acquired during the year)	100	Rs 10	1		
Wipro Welfare Ltd	66,171	Rs 10	662	662	662
			221,589	268,536	221,588
Preference Shares					
9 % cumulative redeemable preference shares held in Wipro Trademark Holdings Ltd	1,800	Rs 10	18	18	18
			18	18	18
Investments in equity shares of other companies					
Quoted					
Trade Investments					
Dynamic Technologies ltd	100	Rs 10	1	1	1
Other Investments					
HDFC Bank Ltd	100	Rs 10	1	1	1
Kashyap Radiant Systems Ltd (note c)	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	Note d	Note d
Wipro Finance Limited	48,304,901	Rs 10	Note d	Note d	Note d
			103,600	49,000	49,000
Investments in preference shares / debentures of other Companies					
Unquoted					
Investments in preference shares of Wipro Finance Ltd(note d)				250,000	
11 % cumulative convertible preference shares					
Convertible preference shares in Wipro Finance Ltd	2,500,000	Rs 100	Note d		Note d
Convertible preference shares in Wipro Finance Ltd	2,000,000	Rs 100			Note d
Redeemable preference shares in Wipro Finance Ltd	3,000,000	Rs 100	Note d		Note d
12.5% unsecured debentures of Wipro e-Peripherals	1,000,000	Rs. 100	100,000		
			100,000	250,000	-
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 10)			195,834	363,838	276,386
(maturity value Rs 240,500)					
			246,286	366,338	278,886
			676,495	938,894	554,494
TOTAL					
Less : Provision for diminution in value of investments			108,196	11,182	108,196
			568,299	927,712	446,298
TOTAL					
Aggregate book value of quoted investments			5002	2	5,002
Aggregate book value of unquoted investments (net of provision)			563,281	558,872	441,296
Aggregate market value of quoted investments			7,527	10	7,531

Notes :

- a) Equity investments in Joint Venture companies carry certain restrictions on transfer of shares that are normally provided for in joint venture agreement.
- b) Though the company holds 47 % of equity in Wipro Net Limited, it has been treated as a subsidiary of the company, by virtue of the provisions of section 4(1)(a) of the Companies Act, 1956.
- c) 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.
- d) Provision for diminution in value of investments in Wipro Finance Limited, erstwhile subsidiary of the Company is outlined below.

	As on September 30,		Year ended March 31,
	2000	1999	2000
Equity shares	559,805	669,718	559,805
Convertible preference shares	321,600		321,600
Convertible preference shares			200,000
Redeemable preference shares	300,000		300,000
	1,181,405	669,718	1,381,405
Less : Provision for diminution in value of investments	1,181,405	680,900	1,381,405
Balance to be provided	-	(11,182)	-

(in rupees thousands)

SCHEDULE 7 INVENTORIES

	As on September 30,		As on March 31,
	2000	1999	2000
Stores and Spares	46,166	57,871	42,914
Raw materials	474,902	657,884	497,545
Stock-in-process	166,081	130,162	92,970
Finished goods	387,384	521,439	581,730
Stock-in-trade land *	125,000	177,000	125,000
TOTAL	1,199,533	1,544,356	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 September 30,		As on March 31,
	2000	1999	2000
Considered good	368,982	453,158	258,667
Considered doubtful	324,124	339,547	196,603
	693,106	792,705	455,270

Less : Provision for doubtful debts

	324,124	339,547	196,603
	368,982	453,158	258,667

Others, considered good

	4,492,887	3,374,758	4,210,714
TOTAL	4,861,869	3,827,916	4,469,381

SCHEDULE 9 CASH AND BANK BALANCES

	As on September 30,		As on March 31,
	2000	1999	2000
Cash and cheques on hand	228,249	282,304	304,316
Balances with scheduled banks			
On Current account	105,008	54,654	265,012
In Deposit account	112,207	3,087	2,254

Balances with other banks in current account

Washington Mutual bank, U S A	24	-	-
Inkom Bank, Russia	60	60	60
Midland Bank, U K	73,560	16,522	35,872
Wells Fargo, U S A	425,484	85,947	139,763
Nations Bank		13	13
Bank of Montreal		3,786	-
Bank of America	432	-	-
	945,024	446,373	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			

(in rupees thousands)

SCHEDULE 10 LOANS AND ADVANCES

(Unsecured, considered good unless otherwise stated)

	As on September 30, 2000	1999	As on March 31, 2000
Advances and loans to subsidiaries	140,275	529,028	1,375
Advances recoverable in cash or in kind or for value to be received			
Considered good	554,083	622,217	664,237
Considered doubtful	67,584	54,867	55,616
	621,667	677,084	719,853
Less : Provision for doubtful advances	67,584	54,867	55,616
	554,083	622,217	664,237
ICD placed	1,453,000		100,000
Advance against equity	11,500		
Interest receivable	22,154		15,735
Advance income -tax (net of provision)	66,085	170,057	-
Balances with excise and customs	14,109	40,606	73,390
Deposits	448,660	359,954	371,825
TOTAL	2,709,866	1,721,862	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 September 30, 2000	1999	As on March 31, 2000
Acceptances		51,326	12,601
Sundry Creditors	1,253,367	1,362,418	1,359,768
Unclaimed dividends	255	634	406
Advances from customers	692,928	512,865	850,958
Other liabilities	1,556,439	1,149,013	1,430,661
Balance due to Subsidiary Companies	94,713	64,659	3,787
Interest accrued but not due on loans	39	4,942	1,423
Other deposits	494,240	-	387,983
	4,091,981	3,145,857	4,047,587

SCHEDULE 12 PROVISIONS

	As on September 30, 2000	1999	As on March 31, 2000
Employee retirement benefits	408,441	277,909	265,915
Others	59,810	22,412	10,045
Interim dividend payable	-		68,492
Proposed dividend	1,378	1,236	1,378
Provision for taxation on proposed dividend	-		7,686
Provision for taxation (less payments)	-	-	84,746
	469,629	301,557	438,262

SCHEDULE 13 OTHER INCOME

	As on September 30, 2000	1999	As on March 31, 2000
Dividend	7,353	9,800	14,720
Interest on bonds / deposits / loans (gross) (a)	54,696	50,007	72,225
Rental Income	7,267	10,969	18,770
Profit on Sale of Investments	-	681	681
Profit on disposal of fixed assets	34,209	1,743	16,737
Difference in exchange	93,904	5,760	37,252
Miscellaneous Income	28,807	514	96,923
	226,236	79,474	257,308

Notes :

a) Tax deducted at source Rs 9,020 (2000 : Rs 14,300, 1999 : Rs 10,000)

(in rupees thousands)

SCHEDULE 14 COST OF GOODS SOLD

	Schedule	Six months ended		As on March 31,
		September 30,		
		2000	1999	2000
Raw materials, Finished and Process Stocks	17	3,832,354	3,554,801	8,625,323
Stores & Spares		94,631	124,861	249,729
Power and Fuel		163,387	106,089	215,277
Salaries, wages and bonus		1,106,117	638,252	1,360,769
Contribution to provident and other funds		39,273	25,728	59,804
Gratuity and pension		38,740	30,359	44,368
Workmen and Staff welfare		50,584	42,658	86,421
Insurance		4,787	4,273	8,472
Repairs to factory buildings		12,182	2,925	5,516
Repairs to Plant & Machinery		17,264	18,497	37,156
Rent		89,829	70,434	143,431
Rates & Taxes		7,412	10,217	18,672
Packing		28,598	17,190	49,769
Travelling and allowance		2,360,895	1,458,490	3,479,123
Depreciation		305,785	256,554	547,263
Miscellaneous		157,350	110,793	175,790
Less : Capitalised (refer note 14)		(102,697)	(10,604)	(130,606)
TOTAL		8,206,491	6,461,517	14,976,277

SCHEDULE 15 SELLING GENERAL AND ADMINISTRATIVE EXPENSES

	Six months ended		As on March 31,
	September 30,		
	2000	1999	2000
Salaries, wages and bonus	583,547	394,671	841,347
Contribution to provident and other funds	21,002	14,606	32,195
Gratuity and pension	18,486	11,934	32,489
Workmen and Staff welfare	76,150	42,041	109,990
Insurance	11,287	10,725	10,910
Repairs to buildings	749	1,267	4,507
Rent	44,440	45,656	94,262
Rates and taxes	85,367	12,338	31,162
Carriage and freight	98,202	78,822	203,664
Commission on sales	277,944	246,703	597,119
Auditors' remuneration and expenses			
Audit fees	1,500	1,880	3,300
For certification including tax audit	169	37	1004
Reimbursement of expenses	386	651	382
Advertisement and sales promotion	259,130	169,066	339,332
Loss on sale of fixed assets	712	1,044	8,673
Directors' fees	84	51	193
Depreciation	95,399	46,952	151,280
Travelling and allowances	440,354	373,164	604,897
Communication	115,058	91,944	206,906
Provision/write off of bad debts	154,014	117,022	267,360
Miscellaneous	356,644	361,774	682,314
TOTAL	2,640,624	2,022,348	4,223,286

(in rupees thousands)

SCHEDULE 16 INTEREST

	As on September 30,		As on March 31,
	2000	1999	2000
On debentures	-	1,555	1,502
On other fixed loans	9,202	66,257	70,676
Others	25,587	124,598	214,504
Total	34,789	192,410	286,682

SCHEDULE 17 RAW MATERIALS, FINISHED AND PROCESS STOCKS

	As on September 30,		As on March 31,
	2000	1999	2000
<u>Consumption of raw materials and bought out components</u>			
Opening stocks	497,545	491,955	491,956
Add : Stock taken over on merger (refer note 7)	-	111,428	111,428
Add : Purchases	1,706,373	1,199,435	4,443,791
Less : Closing stocks	474,902	657,884	497,545
	1,729,016	1,144,934	4,549,630
Purchase of finished products for sale			
	1,982,103	2,389,219	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	-	39,201	39,200
Less : Closing stocks : In process	166,081	130,162	92,970
: Finished products	387,384	521,439	581,730
	121,235	20,648	(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	3,832,354	3,554,801	8,625,323

SCHEDULE 18 NON - RECURRING / EXTRAORDINARY ITEMS

	As on September 30,		As on March 31,
	2000	1999	2000
Provision for diminution in value of investments	-	-	808,701
Loss on Sale of shares	-	-	809,838
Gain on sale of investments in Wipro Net Limited	-	-	(1,095,448)
TOTAL	-	-	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's	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. 238,212 (2000 : Rs 160,034)
4. Contingent liabilities in respect of :
- i) Claims against the Company not acknowledged as debts Rs. 8,892 (2000 : Rs. 8,892)
- ii) Guarantees given on behalf of erstwhile subsidiary Rs. 8,625 (2000 : Rs. 8,625); loans outstanding against these guarantees Rs. 2,495 (2000 : 2,400). These are fully secured by cash deposit placed with the Company. Borrowings of a subsidiary guaranteed by Wipro Limited US \$ 500 (000s) (2000 : Nil)
- iii) 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 September 30, 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 24,820 (2000 : Rs 45,546, 1999 : Rs 28,896) drawn from revaluation reserve.
7. Corresponding figures for the six month period ended Sept 30, 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.
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. Net gain / (loss) of Rs 93,904 (2000 : Rs. 37,252, 1999 : Rs.5,760) arising on account of exchange differences from transactions in foreign currency is included in Other Income.
10. 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 crystalised 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 and amount due on maturity is reduced from investment value of bonds and ECB loan liabilities. At the end of ECB loan tenure, liability will match with the amount due on the last maturity of bonds.
11. 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.
12. 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.

13. In July 1999, the Company introduced Wipro Employee Stock Option Plan - 1999. Under this plan, 5,000,000 shares have been set aside for issue to eligible employees of the Company. The Compensation Committee of the Board evaluates the performance and other criteria of employees and approves the grant of Options. The Options vest with the employees over the 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 option.

As on September 30, 2000 4,991,950 options representing 4,991,950 shares are outstanding under this plan.

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

	Sept 30, 2000	Sept 30, 1999	Year ended Mar 31, '2000
Raw material, finished goods (including Manufactured products) and process stock	70,029	10,604	130,606
<u>Pre-operative expenses</u>			
Power and Fuel	Rs. 31,653		
Conveyance expense	Rs. 233		
Professional expense	Rs. 782		
	102,697	10,604	130,606

15. The company had earlier disputed certain claims for entry tax liability amounting to Rs 52,450. The company has reassessed tenability of these claims in light of recent judicial pronouncements on this matter and provided in June, 2000 Rs 52,450 in respect of these claims.
16. Provision for taxation comprises of following:
- Rs.136,676 (2000 : Rs. 169,175, 1999 : 53,540) in respect of foreign taxes.
 - Rs. 179,799 (2000; Rs 328,825, 1999 : Rs. 15,000) in respect of Indian Income Tax including Rs Nil (2000 :Rs.50,000) in respect of previous years, for Indian Income Tax.
 - Rs. Nil (2000 : Rs 3,000, 1999 : Rs Nil) in respect of Wealth Tax.
 - Tax provision is on income earned by divisions other than Technologies and dividend received. It is provided at 36% which is Effective Tax Rate (ETR) after considering permanent benefit under section 80.
17. Summary of compensation to directors during the six month period ended September 30, 2000

Salary and allowances	Rs. 9,726
Contribution to Provident fund	Rs. 356
Contribution to Pension	Rs. 4,303
Commission	Rs. 25,200
Total	Rs. 39,585

18. 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.

19. 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 @			
		Sept 2000	30, 1999	30, 2000	31, 2000	Sept 2000	30, 1999	30, 2000	31, 2000
Vanaspati / Hydrogenated oils	T P A *	144,000	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	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	1.625
Laundry Soaps	Tons Per Month \$	175	175	175	175	-	-	-	-
Hydraulic and pneumatic equipment	N P A #	40,000	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	2,000
Toilet Soaps	T P A *	42,750	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	750
Fatty acids	T P A *	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Glycerine	T P A *	2,000	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	50,000
TL Shells	000s	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	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	2,700
Serial printers	Ex-factory turnover in million rupees per annum	400	400	400	400	400	400	400	400
Micro processor based computers and peripherals	N P A #	8,500	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	8,500
Computer software (domestic)	Rupees in million	100	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 #			Sales						
		Sept 2000	30, 1999	30, 2000	Sept 30, 2000	Sept 30, 1999	March 31, 2000	Quantity	Rs 000	Quantity	Rs 000
Software services					7,577,262			4,244,742			10,142,163
Mini computers/micro processor based Systems and data communication systems	Nos	24,899	986	56,866	25,086	2,821,910	25,747	2,139,952	73,067		5,409,904
Serial printers	Nos	28,422	37,280	92,940	27,851	737,732	58,473	1,061,100	171,615		2,325,725
Toilet soaps	Tons	11,424	9,661	20,474	12,004	976,698	9,669	824,600	19,818		1,720,958
Post sales support and related IT services					392,049			323,553			759,849
Vanaspati/hydrogenated oils	Tons	7,261	12,426	23,522	7,178	233,368	12,342	456,328	23,945		831,439
Lighting products	000s	&			426,529			314,502			772,060
Hydraulic and pneumatic equipment	Nos	22,266	19,111	47,561	22,025	274,845	17,762	237,301	45,791		600,909
Tipping gear systems	Nos	1,231	1,111	4,289	1,231	47,183	1,111	42,935	4,289		154,018
Shoe uppers and full shoes (pairs)	000s	186	133	520	189	45,195	135	34,556	521		136,388
Fatty acids	Tons	12,906 \$	6,192 \$	23,550 \$	266	7,440	786	15,760	997		30,297
Glycerine %	Tons	196 %	1,160 %	4,060 %	186	15,096	121	7,881	304		18,858
Reagent kits/ spares of analytical instruments	Nos	3,294	5,350	9,470	20,552	151,800	14,516	107,460	34,247		256,117
Spares / components for cylinders / tippers	&				44,541			43,850			97,224
Agency commission					128,252			117,980			123,547
Software products					108,531			82,729			221,080
TOTAL					13,988,431			10,055,229			23,600,536
Less: Excise Duty					399,272			207,175			864,922
TOTAL					13,589,159			9,848,054			22,735,614

includes samples and shortages

\$ includes 6,277 tons (2000 : 11,271, 1999 2,733) used for own consumption

% includes Nil tons (2000 : 3,724, 1999 : 43) 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	Sept30, 2000		Sept 30, 1999		Mar 31, 2000	
		Quantity	Rs 000s	Quantity	Rs.000s	Quantity	Rs 000s
Mini computers/micro processor based systems * and data communication systems *	Nos	641	134,998	540	72,626	828	133,892
Serial Printers *	Nos	22,283	5,256	17,419	210,517	11,552	132,758
Toilet Soaps	Tons	702	41,582	618	28,133	1,282	58,908
Vanaspati / hydrogenated oils	Tons	548	14,166	973	30,535	466	13,710
Lighting Products *		-	48,001	-	48,980	-	44,448
Hydraulic and pneumatic equipment	Nos	3,938	66,782	3,276	64,826	3,697	62,002
Shoe Uppers and full shoes (pairs)	000s	1	351	4	229	5	396
Fatty acids	Tons	157	3,144	267	7,319	71	2,058
Glycerine	Tons	89	5,842	90	4,970	78	3,422
Others					10,162		67,308
			<u>320,122</u>		<u>478,297</u>		<u>518,902</u>
Closing Stock of traded goods							
Reagent Kits/Spares of Analytical instruments	Nos	18,577	49,508	14,560	34,540	19,394	52,286
Others			17,754		8,602		10,542
			<u>387,384</u>		<u>521,439</u>		<u>581,730</u>

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

iv) Purchases for trading

	Unit	Sept 30, 2000		Sept 30, 1999		March 31, 2000	
		Quantity	Rs 000s	Quantity	Rs 000s	Quantity	Rs 000s
Computer units /printers	Nos	10,160	1,618,371	50,083	2,092,034	92,520	3,474,196
Lighting Products *		-	159,507		100,143	-	245,589
Reagent kits/Spares of analytical instruments	Nos	16,441	113,738	13,737	81,867	34,190	203,372
Spares/Components for tippers/cylinders*			19,926		15,529		35,357
Others*			70,561		99,646		119,631
			<u>1,982,103</u>		<u>2,389,219</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	Sept 30, 2000		Sept 30, 1999		March 31, 2000	
		Quantity	Rs 000s	Quantity	Rs 000s	Quantity	Rs 000s
Peripherals/ Components for computers	#		717,099		314,166		2,822,992
Oils and fats	Tons	11,450	226,733	19,385	476,581	46,924	850,988
Components for cylinders	#		145,833		121,029		318,902
Tinplates	Tons	133	4,557	293	10,787	513	19,053
Components for lighting products	#		96,854		92,877	-	226,690
Leather	Sq.ft.(oos)	204	31,764	147	28,044	585	85,795
Others	#		506,176		101,450		225,210
			<u>1,729,016</u>		<u>1,144,934</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

	Sept 30, 2000		Sept 30, 1999		March31, 2000	
	%	Rs 000s	%	Rs 000s	%	Rs 000s
Raw Materials						
Imported	52	905,232	43	492,322	43	1,937,078
Indigenous	48	823,784	57	652,612	57	2,612,552
	<u>100</u>	<u>1,729,016</u>	<u>100</u>	<u>1,144,934</u>	<u>100</u>	<u>4,549,630</u>
Stores and Spares						
Imported	3	2,592	5	6,243	5	13,647
Indigenous	97	92,039	95	118,618	95	236,082
	<u>100</u>	<u>94,631</u>	<u>100</u>	<u>124,861</u>	<u>100</u>	<u>249,729</u>

vii) Value of imports on CIF basis

(does not include value of imported items locally purchased)

	Sept 30, 2000	Sept 30, 1999	March 31, 2000
Raw materials, components and peripherals	1,206,482	541,047	4,142,917
Stores and spares	110,339	73,631	243,324
Capital goods	136,043	891	22,249
Others	92,328		151,881
	1,545,192	615,569	4,560,371

viii) Expenditure in foreign currency

	Sept 30, 2000	Sept 30, 1999	March 31, 2000
Travelling	2,136,143	1,437,527	3,287,164
Interest	-	255	25,341
Royalty	-	4,901	100,198
Professional fees	5,114	19,153	28,676
Others	82,762	222,954	272,461
	2,224,019	1,684,790	3,713,821

ix) Earnings in foreign exchange

	Sept 30, 2000	Sept 30, 1999	March 31, 2000
Export of goods on F.O.B basis	46,232	35,386	149,224
Services	7,517,996	4,362,697	10,185,559
Agency commission	116,119	79,125	169,158
Others	614		1,780
	7,680,961	4,477,208	10,505,740

WIPRO LIMITED
CASH FLOWS STATEMENT
(in rupees thousands)

	Six months ended		Year ended
	September 30,		March 31,
	2000	1999	2000
Cash flows from operating activities:			
Net profit before tax and non recurring items	2,933,491	1,251,253	3,506,677
Adjustments to reconcile Net profit before tax and non recurring items to net cash provided by operating activities:			
Depreciation and amortization	401,185	303,506	698,543
Foreign currency translation gains			(59,306)
Retirement benefits provision	142,526	59,332	58,995
Interest on borrowings	34,788	180,501	286,682
Dividend / interest	(62,049)	(59,785)	(86,944)
Loss / (Gain) on sale of short-term investments			(681)
Loss / (Gain) on sale of property, plant and equipment	(33,498)	(446)	(7,725)
Operating cash flow before changes in working capital	3,416,443	1,734,361	4,396,241
Changes in operating assets and liabilities			
Trade and other receivable	(445,210)	(291,180)	(489,512)
Inventories (other than stock-in-trade land)	140,626	17,615	211,494
Trade and other payables	95,543	(181,099)	767,625
Net cash provided by operations	3,207,402	1,279,697	4,885,848
Direct taxes paid	(467,306)	(41,679)	(219,604)
Net cash provided by operating activities	2,740,096	1,238,018	4,666,244
Cash flows from investing activities:			
Expenditure on property, plant and equipment (including advances)	(1,083,614)	(499,249)	(1,198,136)
Proceeds from sale of property, plant and equipment	146,523	9,302	67,935
Purchase of investments	(214,052)	(20,924)	(1,640,128)
Inter Corporate deposits placed	(1,353,000)	-	(100,000)
Proceeds from sales and maturities of investments	80,552	-	1,146,870
Dividends received	7,353	9,800	14,720
Interest received	54,696	49,985	72,225
Net cash used in investing activities	(2,361,542)	(451,086)	(1,636,515)
Cash flows from financing activities:			
Capital subsidy received	750		-
Proceeds from issuance / (repayment) of borrowings	(69,220)	(447,071)	(2,250,808)
Interest on borrowings	(36,172)	(197,391)	(307,090)
Payment of cash dividends	(76,178)	(75,620)	(94,372)
Corporate tax on Dividend			(9,692)
Net cash provided by/(used in) financing activities	(180,820)	(720,082)	(2,661,962)
Net increase/ (decrease) in cash and cash equivalents during the year	197,734	66,850	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	945,024	446,373	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, October 31, 2000.

AUDITOR'S CERTIFICATE

We have examined the above cash flow statement of Wipro Limited for the six month period ended September 30, 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 six month period ended September 30, 2000.

For N M Rajji & Co.,
Chartered Accountants

J M Gandhi
Partner

Bangalore, October 31, 2000.

