



FOR IMMEDIATE RELEASE

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RESULTS PREPARED IN ACCORDANCE WITH US GAAP
WIPRO RECORDS 22% NET INCOME GROWTH FOR THE
QUARTER ENDED DECEMBER 31, 2001

Bangalore, India and Santa Clara, California – January 18, 2002-- Wipro Limited (NYSE:WIT) today announced financial results under US GAAP for its third fiscal quarter ended December 31, 2001.

Highlights:

- **Net Income for the quarter ended December 31, 2001, was Rs. 2.24 billion (\$46 million) representing an increase of 22% over the same period last year. Net Income for the nine months ended December 31, 2001 was Rs. 6.24 billion (\$129 million) representing an increase of 45% over the same period last year.**
- **Global IT Services segment Revenue increased 6% over the prior quarter, and increased 25%, at Rs. 6.08 billion (\$126 million), compared to the quarter ended December 31, 2000.**
- **Increases in Offshore realization by 2.3% and Onsite realization by 1.5% sequentially.**
- **R&D Services contributed 51% of Global IT Services Revenue for the quarter ended December 31, 2001, representing an increase of 1%, from 50% over the corresponding period last year.**
- **Rs. 2.00 billion (\$44 million) of cash was generated from operations for the quarter ended December 31, 2001, and Rs. 7.80 billion (\$162 million) of cash was generated for the nine months ended December 31, 2001.**
- **27 new clients added in the quarter ended December 31, 2001, including 6 Fortune 1000 companies.**
- **4 new client dedicated development centers in India started during the quarter ended December 31, 2001.**

Total Revenues for the nine months ended December 31, 2001, were Rs. 24.81 billion (\$514 million), representing a 15% increase over the corresponding period in the last year. Net Income was Rs. 6.24 billion (\$129 million), representing an increase of 45% over Net Income for the same period last year. Earnings Per Share from continuing operations was Rs. 27.00 (\$0.56) for the nine months ended December 31, 2001, representing an increase of 41% over the Earnings Per Share of Rs. 19.12, for the corresponding period last year. Total Revenue for the quarter ended December 31, 2001, was Rs. 8.68 billion (\$180 million), representing a 14% increase over the corresponding period in the last year. Net Income was Rs. 2.24 billion (\$46 million), representing an increase of 22% over Net Income for the same period last year. Earnings Per Share from continuing operations was Rs. 9.70 (\$0.20) for the quarter ended December 31, 2001, representing an increase of 21% over the Earnings Per Share of Rs. 8.01, for the corresponding period last year.

Commenting on the results, Mr. Azim Premji, Chairman of Wipro, said, "We achieved a significant milestone this quarter in our journey towards our Vision 2004 by consolidating our Quality leadership position in the global Software Services market. We were the first company in the world to be certified at Level 5 of the People Capability Maturity Model (PCMM) and the first Software Service provider to be certified under TL 9000, reflecting the commitment of Wiproites to Quality.

"Our results for the quarter were in line with our expectations in an environment of enhanced economic turbulence. We believe we have grown ahead of the industry growth rate for the nine-month period ended December 2001. For the quarter ending March 2002, we expect revenue from our Global IT business to be around US\$120 million."

Mr. Vivek Paul, Vice Chairman and CEO of Wipro Technologies added "We have seen all round sequential growth across verticals, except in Telecom and Internetworking. The sequential growth in Financial Services of 19% and Enterprise Application Services of 41% contributed to an 8% sequential growth in Enterprise Business. In the R&D Services segment, Embedded Systems grew by 6% sequentially and Telecom and Internet Service Providers grew by 54% sequentially. Despite an environment of severe price pressure, we were able to grow our realization by continuing to grow the mix of high value-add services."

Global IT Services (70% of Revenues and 97% of Operating Income for the quarter ended December 31, 2001)

Wipro's Global IT Services business segment recorded Revenue of Rs. 6.08 billion (\$126 million) for the quarter ended December 31, 2001, representing an increase of 25% over the Revenue for the quarter ended December 31, 2000. Earnings before Interest and Tax (EBIT) was Rs. 2.05 billion (\$43 million) for the quarter ended December 31, 2001, representing an increase of 25% over EBIT for the quarter ended December 31, 2000.

EBIT increased from 33.7% for the quarter ended December 31, 2000, to 33.8% for the quarter ended December 31, 2001. The increase in EBIT resulted from an increase in price realizations of 16% for Offshore projects and an increase of 15% for Onsite projects, over the corresponding period of the previous year, which was partially offset by lower margins on product revenues and a 4% decrease in IT professional utilization as compared to the quarter ended December 31, 2000. EBIT for the nine-month period ended December 31, 2001 increased to 34.1% from 32.8% for the corresponding period in the previous year.

Our largest customer, top 5 and top 10 customers accounted for 15%, 34% and 46%, respectively, of our total Revenue for the quarter ended December 31, 2001, as compared to 8%, 29% and 44% respectively, for the corresponding period of the previous year. Twenty-seven new clients were added in the quarter ended December 31, 2001, of which 6 customers are represented on the Fortune 1000 companies list. New customers added in current fiscal year contributed 24% of total Revenue for the quarter ended December 31, 2001.

Customers with an annual Revenue rate of \$1 million and above increased to 85 in the quarter ended December 31, 2001, from 67 in the quarter ended December 31, 2000, and 81 in the quarter ended September 30, 2001. Customers with an annual Revenue of \$5 million and above increased to 21 in the quarter ended December 31, 2001, from 19 in the quarter ended December 31, 2000. The corresponding number in the quarter ended September 30, 2001, was 24.

For the quarter ended December 31, 2001, the R&D Services business segment, consisting of Telecom & Internet Service Providers practice (17% of Revenue), Embedded Systems & Internet Access devices practice (15% of Revenue) and Telecom & Inter-networking practice (19% of Revenue), contributed 51% of Global IT Services Revenue, which represents a 1% increase over the same period last year and a 1% decrease from the quarter ended September 30, 2001. The Enterprise Solutions segment contributed 49%. Technology Infrastructure horizontal contributed 10% of Global IT Services Revenue across R&D and Enterprise solutions. We continued to

diversify our Revenue profile with increased contributions from Europe. The proportion of Revenues from Europe increased from 28% for the quarter ended December 31, 2000, to 42% for the quarter ended December 31, 2001. Accordingly, the proportion of Revenue from North America decreased to 51% from 64% in the corresponding quarter of the previous year. Japan contributed 6% for the quarter ended December 31, 2001.

We had 9,502 employees as of December 31, 2001, representing an increase of 12 employees over the same quarter in the previous year and 91 employees from the previous quarter. Gross addition of employees during the quarter ended December 31, 2001, was 249.

India and Asia Pac IT Services and Products (17% of Revenue and 5% of Operating Income for the quarter ended December 31, 2001)

After launching its services in the Asia Pacific and Middle East regions, Wipro Infotech is now reporting as the India and Asia Pac Services and Products business segment. This segment recorded Revenue of Rs. 1.50 billion (\$31 million) and Earnings Before Interest and Tax (EBIT) of Rs. 111 million (\$2.2 million) for the quarter ended December 31, 2001. Operating Margin decreased to 7.4% for the quarter ended December 31, 2001 from 11.0% for the quarter ended December 31, 2000. Operating Margin for the nine months ended December 2001 decreased to 6.7% from 7.6% for the nine months ended December 31, 2000. Annualized Return on Capital Employed (ROCE) was 52% for the nine months ended December 31, 2001.

Consumer Care & Lighting (9% of Revenue and 5% of Operating Income for the quarter ended December 31, 2001)

Wipro's Consumer Care & Lighting business segment recorded Revenue of Rs. 738 million (\$15 million) for the quarter ended December 31, 2001, as compared to Rs. 837 million for the same period last year. Earnings Before Interest and Tax (EBIT) was Rs. 100 million (\$ 2.0 million) for the quarter ended December 31, 2001, as compared to Rs. 109 million for the same period last year. Annualized Return on Capital Employed (ROCE) was 60% for the nine months ended December 31, 2001.

In the quarter ended December 31, 2001, the Board of Directors accepted the retirement from the Board of Mr. Hamir Vissanji, a Director of Wipro Limited since 1955. Commenting on Mr. Vissanji's contributions to Wipro, Mr. Premji stated that, "In over 200 board meetings during Mr. Vissanji's tenure, he has attended and contributed in all but two meetings, which he could not attend due to health reasons. There can be no better reflection of dedication and commitment than this. His eye for details, especially as the Chairman of Audit Committee and his incisive questions contributed to better decisions. We wish Mr. Vissanji good health and cheer in his retirement."

Wipro Limited results for the quarter ended December 31, 2001, computed under the Indian GAAP and the US GAAP, along with individual business segment reports are available in the Investor Relations section of our website at www.wipro.com.

Quarterly Conference call

Wipro will hold conference calls today to discuss third fiscal quarter results at 11:45 AM Indian Standard Time (2:15 AM Eastern Time) and at 7:00 PM Indian Standard Time (8:30 AM Eastern) to discuss the company's performance for the quarter and answer questions sent to email ID: Lakshminarayana.lan@wipro.com. An audio recording of the management discussions and the question and answer session will be available online and will be accessible in the Investor Relations section of the company website at www.wipro.com shortly after the live broadcast.

About Wipro Limited:

Wipro Limited is the first P CMM Level 5 and SEI CMM Level 5 certified IT Services Company globally. Wipro provides comprehensive IT solutions and services, including systems integration, Information Systems outsourcing, package implementation, software application development and maintenance, and research and development services to corporations globally.

In the Indian market, Wipro is a leader in providing IT solutions and services for the corporate segment in India offering system integration, network integration, software solutions and IT services. Wipro also has profitable presence in niche market segments of consumer products and lighting. In the Asia Pacific and Middle East markets, Wipro provides IT solutions and services for global corporations.

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

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

Forward-looking and cautionary statements:

Certain statements in this release concerning our future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Wipro makes strategic investments, withdrawal of fiscal governmental incentives, political instability, war, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry. Additional risks that could affect our future operating results are more fully described in our filings with the United States Securities and Exchange Commission. These filings are available at www.sec.gov. Wipro may, from time to time, make additional written and oral forward-looking statements, including statements contained in the company's filings with the Securities and Exchange Commission and our reports to shareholders. Wipro does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.

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(tables to follow)

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

	Three Months Ended December 31,			Nine Months Ended December 31,		Year ended March 31,		
	2000	2001	2001	2000	2001	2001	2001	2001
	Unaudited			Unaudited				
Revenues :								
<i>Global IT Services and Products</i>								
Services	Rs. 4,777	Rs. 5,559	\$ 115	Rs. 12,531	Rs. 15,914	\$ 330	Rs. 17,670	\$ 366
Products.....	-	493	10	-	900	19	-	-
<i>India and AsiaPac IT Services and Products</i>								
IT Services	377	401	8	1,322	1,380	29	1,879	39
IT Products	1,333	1,090	23	4,586	3,203	66	6,792	141
Consumer Care and Lighting.....	838	738	15	2,363	2,206	46	3,144	65
Others.....	279	400	8	814	1,211	25	1,329	28
Total.....	7,604	8,681	179	21,616	24,814	515	30,814	639
Cost of Revenues								
<i>Global IT Services and Products</i>								
Services	2,491	2,956	61	6,652	8,526	177	9,205	191
Products.....	-	468	10	-	826	17	-	-
<i>India and AsiaPac IT Services and Products</i>								
IT Services	203	153	3	691	670	14	1,011	21
IT Products	1,011	900	19	3,783	2,608	54	5,457	113
Consumer Care and Lighting.....	580	516	11	1,679	1,551	32	2,215	46
Others.....	157	352	7	557	1,004	21	962	20
Total.....	4,442	5,345	111	13,363	15,185	315	18,850	391
Gross profit.....	3,162	3,336	68	8,253	9,629	200	11,964	248
Operating expenses :								
Selling, general, and administrative exp	(1,239)	(1,130)	(23)	(3,503)	(3,470)	(72)	(4,835)	(100)
Research and development expenses...	-	(42)	(1)	-	(110)	(2)	-	-
Amortization of goodwill.....	(1)	(43)	(1)	(2)	(130)	(3)	(45)	(1)
Foreign exchange gains / (losses), net.	92	5	-	111	173	3	86	2
Gain on sale of property and equipment.	22	2	-	42	17	-	155	3
Operating Income.....	2,036	2,128	43	4,901	6,109	126	7,325	152
Other income/ (expense), net	95	234	5	85	666	14	315	7
Income taxes.....	(305)	(203)	(4)	(639)	(674)	(14)	(1,150)	(24)
Income before share of equity in earnings of affiliates and minority interest.....	1,827	2,159	44	4,347	6,101	126	6,489	134
Equity in earnings of affiliates	18	84	2	27	139	3	(53)	(1)
Income from continuing operations.....	1,845	2,243	46	4,374	6,240	129	6,437	133
Discontinued operations	-	-	-	-	-	-	-	-
Income tax benefit on sale of interest..	-	-	-	-	-	-	78	2
Income before cumulative effect of accounting change.....	1,845	2,243	46	4,374	6,240	129	6,514	135
Cumulative effect of accounting change, net of tax.....	-	-	-	(59)	-	-	(59)	(1)
Net income	Rs. 1,845	Rs. 2,243	\$ 46	Rs. 4,315	Rs. 6,240	\$ 129	Rs. 6,455	\$ 134
Earnings per equity share: Basic								
Continuing Operations.....	8.01	9.70	0.20	19.12	27.00	0.56	28.07	0.58
Discontinued operations.....	-	-	-	-	-	-	0.34	0.01
Cumulative effect of accounting change	-	-	-	(0.26)	-	-	(0.26)	(0.01)
Net income.....	8.01	9.70	0.20	18.86	27.00	0.56	28.15	0.58
Earnings per equity share: Diluted								
Continuing operations.....	7.94	9.69	0.20	18.96	26.96	0.56	27.83	0.58
Discontinued Operations.....	-	-	-	-	-	-	0.34	0.01
Cumulative effect of accounting change	-	-	-	(0.26)	-	-	(0.26)	(0.01)
Net Income.....	7.94	9.69	0.20	18.70	26.96	0.56	27.91	0.58
Additional Information								
Operating Income								
Global IT Services & Products	Rs. 1,637	Rs. 2,054	42	Rs. 4,155	Rs. 5,807	\$ 120	Rs. 6,018	\$ 125
India & AsiaPac IT Services & Products	189	111	2	450	309	6	764	16
Consumer Care & Lighting	109	100	2	266	301	6	436	9
Others	33	(46)	(1)	90	(64)	(1)	291	6
Reconciling Item	68	(90)	(2)	(60)	(244)	(5)	(183)	(4)
Total	Rs. 2,036	Rs. 2,128	43	Rs. 4,901	Rs. 6,109	\$ 126	Rs. 7,325	\$ 152

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

	As of December 31,			As of March 31,	
	2000	2001	2001	2001	2001
	(unaudited)				
ASSETS					
Current assets:					
Cash and cash equivalents	Rs. 5,761	Rs. 7,520	\$ 156	Rs. 5,623	\$ 116
Accounts receivable, net of allowances	4,969	5,114	106	5,878	122
Costs and earnings in excess of billings on incomplete contracts	44	855	18	65	1
Inventories	1,556	1,462	30	1,467	30
Investment securities.....	1,039	4,729	98	2,563	53
Deferred income taxes.....	244	74	2	74	2
Other current assets	1,757	2,480	51	2,404	50
	15,370	22,234	461	18,074	374
Investment securities	285	357	7	144	3
Property, plant and equipment, net	5,194	6,291	130	5,480	114
Investments in affiliates	645	855	18	690	14
Deferred income taxes	71	137	3	222	5
Intangible assets, net	985	700	15	833	17
Other assets	717	746	15	719	15
	Rs. 23,267	Rs. 31,320	\$ 649	Rs. 26,162	\$ 542
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current liabilities:					
Borrowings from banks	Rs. 8	Rs. 97	\$ 2	Rs. 347	\$ 7
Current portion of long term debt	1,362	136	3	1,326	27
Accounts Payable.....	1,435	1,826	38	1,847	38
Accrued expenses.....	1,867	2,261	47	1,793	37
Advances from customers.....	789	1,015	21	1,077	22
Other current liabilities	760	516	11	468	10
	6,221	5,851	121	6,858	141
Long-term debt, excluding current portion.....	120	30	1	95	2
Deferred income taxes	9	107	2	91	2
Other liabilities	44	66	1	37	1
	6,394	6,054	125	7,081	146
Stockholders' equity					
Equity shares at Rs. 2 par value: 375,000,000 shares authorized as of March 31, 2001, December 31, 2000 and 2001; Issued and outstanding: 232,391,814 shares as of December 31, 2000, 232,433,019 shares as of March 31, 2001 and 232,439,524 shares as of December 31, 2001.....	465	465	10	465	10
Additional paid-in capital	6,665	6,702	139	6,696	139
Deferred stock compensation	(133)	(26)	(1)	(97)	(2)
Accumulated other comprehensive income	1	(2)	-	2	-
Retained earnings	9,875	18,127	376	12,015	249
Equity shares held by a controlled Trust: 1,280,885, 1,272,785 and 1,315,085 shares as of March 31, 2001, December 31, 2000 and December 31, 2001.....	*	*	*	*	*
	16,873	25,266	524	19,081	396
Total liabilities and stockholders' equity.....	Rs. 23,267	Rs. 31,320	\$ 649	Rs. 26,162	\$ 542
* Equity shares held by a controlled trust	Rs. 75,000	Rs. 77,000		Rs. 75,000	