MINDS ACROSS BORDERS

WIPRO
Applying Thought

At Wipro, we believe
that success cannot be
a matter of circumstance
but the outcome of choice
and execution.
For us challenges are opportunities
for Applying Thought.
To leverage our
key strengths - our people, practices
and processes against all odds
to secure a better and brighter future
for the organization and its stakeholders.

WIPRO
Applying Thought

MINDS

ACROSS

BORDERS

Our Core Values

Human Values

We respect Customers as individuals, recognise
that they have different needs and continually
strive towards satisfying those needs to improve
the quality of their lives.

Integrity

Our individual and business relationships are
governed by the highest standards of Integrity.

Innovative Solutions

We constantly research and develop superior
Products and Services that meet the ever changing
needs of Customers.

Value for Money

We promise to serve Customers with continuous
improvement in quality, cost and delivery of our
Products and Services.

Our Promise

With utmost respect
to Human Values,
we promise to serve our
Customer with Integrity,
through a variety of Innovative,
Value for Money
Products and Services,
by Applying Thought,
day after day.

MINDING THE NUMBERS

Consistent with our performance over the last few years, Wipro has grown by 35 percent in revenues and 122 percent in profits after tax. While this kind of growth is impressive, to us it's the thinking behind the performance that is important. It's what helps us protect the interest of our stakeholders notwithstanding slowdowns in the economy, frenetic competition or shrinking global demand.

Realising that global economic conditions are not always going to be conducive, we have spread our markets so that we are not excessively dependent on a single geography, diversified our revenue streams, increased business from existing customers and improved the quality of our client profile.

We continue to invest in building the global talent pool to ensure that we are best equipped to meet our customers' requirements.
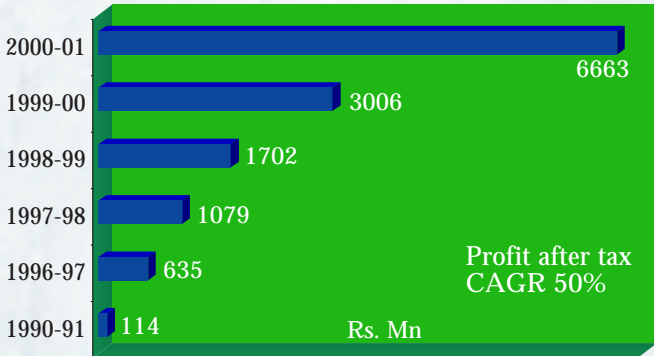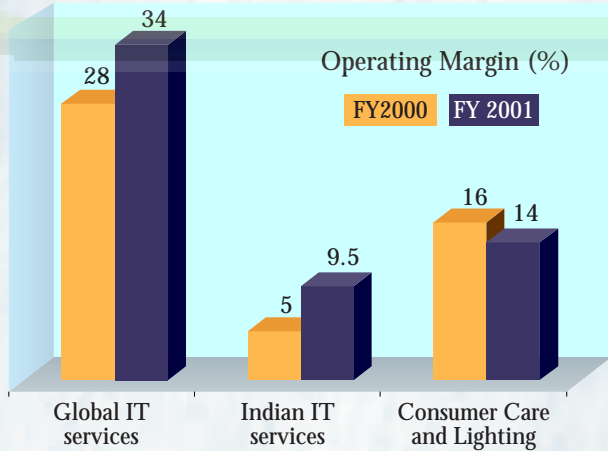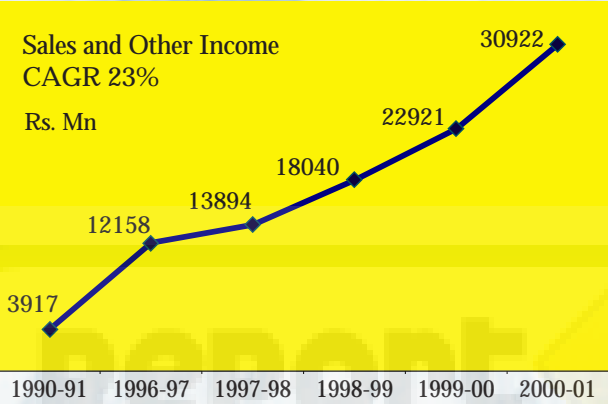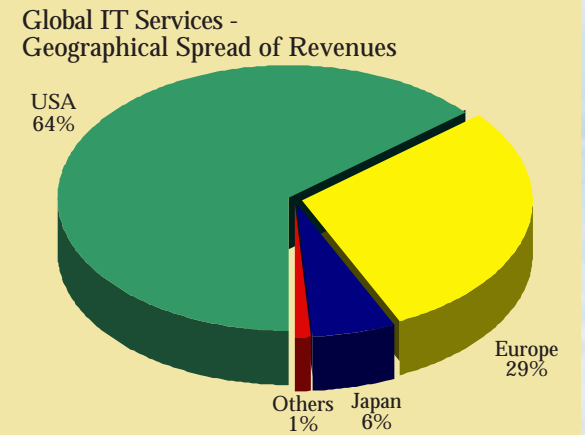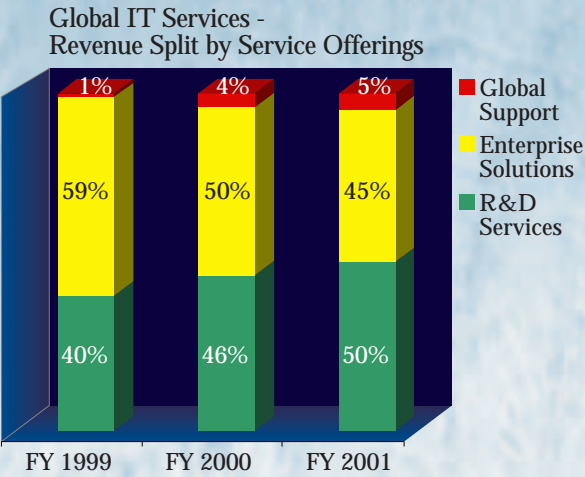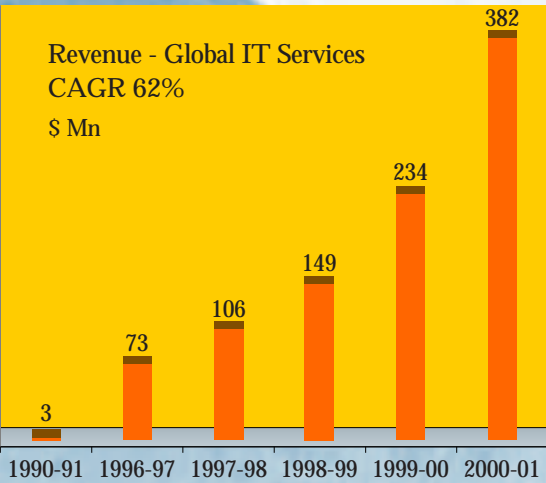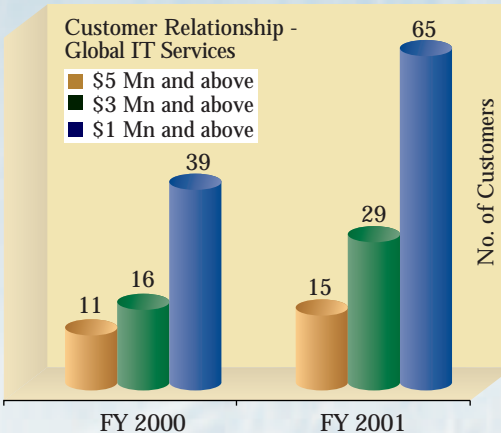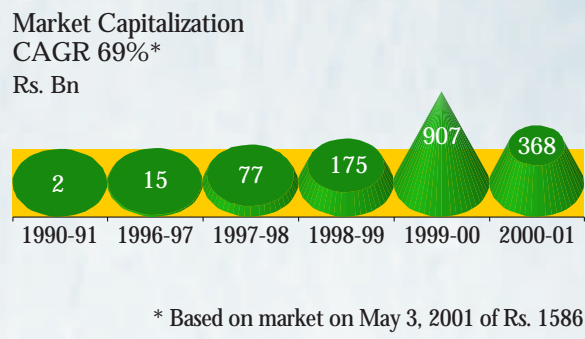
Segment-wise business performance for the year ended March 31, 2001 (In Rs. Million)

Particulars	Global IT Services	Indian IT Services & Products	Consumer Care & Lighting	Others	Wipro Limited
Revenue	17,690	8,481	3,305	1,446	30,922
% of Total Revenue	57	27	11	5	100
Growth	70%	3%	2%	27%	35%
Profit before Depreciation, Interest and Tax	6,753	897	541	202	8,393
Growth	100%	78%	(1%)		90%
Profit before Interest and Tax	6,057	803	477	77	7,414
% of Total PBIT	82	11	6	1	100
Growth	110%	85%	-	-	99%
Operating Margin	34%	9.5%	14%		24%
Interest (Income)/Expense - net					(241)
Profit before Tax					7,655
Growth					118%
Profit after Tax before extraordinary gain/ (charge)					6,663
Growth					122%
Other Information					
Net Fixed Assets (at cost)	3,501	305	456	872	5,134
Trade Receivables	3,540	1,954	159	524	6,177
Cash Balances/Investments	566	251	196	9,465	10,478
Other Assets	812	911	437	607	2,767
Current Liabilities	(1,533)	(2,585)	(358)	(870)	(5,346)
Capital Employed	6,886	836	890	10,598	19,210
% of Total Capital Employed	36	4	5	55	100
Return on Average Capital Employed	124%	105%	71%		56%

Notes to Segment-wise business performance:

1. In conformance with Accounting Standard 17 on Segment reporting issued by the Institute of Chartered Accountants of India, corresponding figures of Revenues, Profit before Depreciation, Interest and taxes and Profit before Interest and Taxes, for the year ended March 31, 2000, have been restated to exclude interest income earned on inter segment lending and other investments.
2. Effective September 1, 2000 Peripherals Services division (PSD), engaged in the business of manufacture, sales and trading in Computer Peripherals, was spun off into a new legal entity Wipro e-Peripherals. Indian IT services and products includes financials of PSD for the five month period in the current year and for the entire period in the previous year.
3. Others represents Wipro Fluid Power, Wipro Biomed, and Corporate Services including spends on Wipro Brand identity and Six Sigma initiative.
4. For the year 2000-01, Rs. 16 million gain on transfer of business is recognized as extraordinary gain.

Sales and Other Income CAGR 23%
Rs. Mn

1990-91	1996-97	1997-98	1998-99	1999-00	2000-01
3917	12158	13894	18040	22921	30922

Operating Margin (%)
FY2000 | FY 2001

	FY2000	FY 2001
Global IT services	28	34
Indian IT services	5	9.5
Consumer Care and Lighting	16	14

Revenue - Global IT Services CAGR 62%
$ Mn

1990-91	1996-97	1997-98	1998-99	1999-00	2000-01
3	73	106	149	234	382

Global IT Services - Revenue Split by Service Offerings
Global Support, Enterprise Solutions, R&D Services

	FY 1999	FY 2000	FY 2001
Global Support	1%	4%	5%
Enterprise Solutions	59%	50%	45%
R&D Services	40%	46%	50%

Profit after tax CAGR 50%
Rs. Mn

1990-91	114
1996-97	635
1997-98	1079
1998-99	1702
1999-00	3006
2000-01	6663

Market Capitalization CAGR 69%*
Rs. Bn

1990-91	1996-97	1997-98	1998-99	1999-00	2000-01
2	15	77	175	907	368

* Based on market on May 3, 2001 of Rs. 1586

Customer Relationship - Global IT Services
$5 Mn and above, $3 Mn and above, $1 Mn and above

	FY 2000	FY 2001
$5 Mn and above	11	15
$3 Mn and above	16	29
$1 Mn and above	39	65

No. of Customers

Global IT Services - Geographical Spread of Revenues

USA 64%
Europe 29%
Japan 6%
Others 1%

Minding the interests
of our Stakeholders

The Board of Directors of Wipro comprise gentlemen of enormous experience from diverse industries. They come together with a determination to nurture the interests of our Stakeholders.

Committees of the Board

Audit Committee

Hamir K Vissanji (Chairman)
Narayan Vaghul
Dr. Nachiket Mor

Compensation and Benefits Committee

Narayan Vaghul (Chairman)
Hamir K Vissanji
B C Prabhakar

*Administrative and Shareholders /
Investors Grievance Committee*

B C Prabhakar (Chairman)
Azim H Premji
Hamir K Vissanji

Azim H Premji
*Chairman
and Managing Director*

Dr. Ashok Ganguly
*Chairman of ICI India Ltd.,
Former Director of Unilever Plc.*

Dr. Nachiket Mor
*Senior General Manager,
ICICI Ltd.*

P S Pai
*Vice Chairman
and Executive Officer*

Vivek Paul
*Vice Chairman
and Executive Officer*

B C Prabhakar
*A Practitioner of Law
since 1970*

Dr. Jagdish N Sheth
*Professor of Marketing
at Emory University, USA*

Narayan Vaghul
Chairman, ICICI Ltd.

Hamir K Vissanji
*Former CEO,
BMD Chemicals
and Industrialist*

Dear Stakeholder,

The year 2000-01 was very exciting for us in Wipro. The popular perception that growth rates come down with a higher base did not hold true in our case. In fact, our year on year growth in profit after tax was the highest ever year on year growth that we have achieved over the last ten years. While this is satisfying, it does raise the bar for future to a much more challenging level. The current concerns about the global macro economic conditions only add to the challenge.

Challenge is inspiring because it taps all the inner strengths, abilities and energies that bring out the best in a person or a team. Nothing excites a team or pushes it to greater heights as common challenge with which the team identifies itself. In fiscal year 2000, we achieved the most critical of our goals set five years ago, a goal to increase profits by 10-x in five years. This has made us realize that it is not so much the environment as our own mind that determines what we can do. What the mind can conceive, it can achieve, provided it is backed by unstinting hard work.

Individual businesses in Wipro have carved a distinctive position in their respective industries. This prompted us to undertake the visioning exercise for each business separately. In the visioning exercise we were guided by the following principles:

- The vision should be ambitious and set a stretch for the team
- The vision should be a turbo-charger that ignites the combined enthusiasm of the team
- The vision must be beyond reach but not an impossible dream either. It must be an executable dream

At the same time, a vision cannot be completely safe. Strategy must de-risk it. The vision formulation process involved over 250 team members. The vision was communicated to every team member in the organization. Over the last six months, more than 25 teams are working on various aspects of realizing this vision. The vision we have set for ourselves for 2004 is:

Business Leadership

Among the top 10 Information Technology services companies globally and #1 Information Technology company in India

Customer Leadership

The #1 choice of customers through innovative solutions and Six Sigma processes

People Leadership

Among the top 10 most preferred employers globally by creating an environment of empowerment, intellectual challenge and wealth sharing

Brand Leadership

Wipro brand to be among the 5 most admired brands in India

Wipro Technologies
Innovative Solutions. Quality Leadership.

Azim H Premji
Chairman and Managing Director

Wipro Infotech
Thinking beyond the box

What does this vision mean to us?

We use the visioning exercise in Wipro to change our mindset, from what is probable to what is potentially possible. We clearly seek audacious stretch performance beyond the culture of targeted over-achievement. This means moving away from the confines of our own comfort zones and entering unchartered areas, fueled by a spirit of adventure and constant innovation.

How will we achieve this vision?

We have created a strong value proposition for our customers in each of our business segments.

- In the global IT services business, our strong base in quality, our breadth and depth in technological skill sets and the strong value proposition of off-shore development centers in India
- In Indian IT services and products business, our two decades of leadership resulting in brand leadership, strong quality process for our service business and the product offerings for system integration and networking services
- In our value brand business, our proven expertise in creating niche offerings for geography specific retail markets, vertical specific industrial markets leveraging our distribution network and our quality processes

The focus on value proposition for our customers has been instrumental in our businesses having the highest operating margin (profit before interest and tax to revenue) in the business segments we operate in.

Quality - our key differentiator

In my letter to you last year, we highlighted that while quality is a moving target, our attitude to quality can provide a sustainable competitive edge for our customers. Quality to us should translate to higher customer satisfaction and higher operating margin. Recognizing this, our learning over the last four years with SEI-CMM and Six Sigma has resulted in an integrated approach to quality systems in software development. Today we have over 3500 members working in team sizes of 5 and 6 on 292 Six Sigma projects and 344 turbo projects facilitated by 74 black belts. We have realized Rs.315 million in savings using the Six Sigma projects. The additional benefit of teaming we have witnessed in the cross functional quality teams, has had tremendous effect on the teamwork across the organization. Our progress in our quality journey has milestones planned in the next year centered on the three initiatives:

- Working with the customers on Six Sigma quality projects. Our progress in the integrated Six Sigma quality systems are robust now to be transferred to customer locations and can straddle multiple organizations
- SEI-CMMi (Capability Maturity Model for integration), that focuses on application

integration, an enhancement to focusing on application development (SEI-Level 5) for our software services business

• People Capability Maturity Model (PCMM) for creating a world-class people process quality for developing individual and organizational competencies.

Team - the cutting edge

The quality we cherish the most in our team members is a passion for customer satisfaction. Every Wiproite carries a deep consciousness that what we do every day can and will make a difference to the customer. The more satisfied the customer, the more demanding he/she will be. This is the continuing challenge that we must relish. The other important quality is learning. Learning needs an environment of attention to details, genuine care and above all freedom. Paying attention to those minor details that convert customer satisfaction to customer delight. Genuine care and freedom go hand in hand. Freedom is the power to decide and power to express. Freedom is permitting people to decide, realizing that all decisions may not be correct. Tolerance to genuine mistakes and ensuring that you have systems to convert these mistakes into valuable lessons are the key requirement for an empowered organization.

A winning team must have winning team members. We pioneered the concept of sharing wealth in India through our Wipro Stock Award Program in 1984. Today, over 6000 Wiproites participate in the shareholder value we create. A key ingredient of our vision is in sharing the wealth we create for our shareholders with our team.

E-culture - for response

The ultimate payoff is in transforming the entire organization to be customer sensitive. As we increase our size, success is in being faster, leaner and quicker. E-culture helps us continually enhancing our speed of response. Our focus on knowledge management, people management and building exciting client relationship using the web is and will be the differentiator in creating value as we grow in size.

Innovation - for customer delight

We have launched a new initiative on innovation in our IT businesses. Our first focus in this initiative is on customer satisfaction and intellectual properties based products and services. Our endeavor is to harness our technical and domain skills to provide customers with solution that address their latent needs and help them serve their customers. In our global IT services business, we will create intellectual properties in the technology area. We will invest 5% of our profit after tax in the initiative. In our Indian IT business we will innovate our service offerings to enhance customer satisfaction. Our goal is customer leadership: The #1 choice of customer by offering innovative solutions and Six Sigma processes.

Wipro Consumer Care and Lighting
A mindset for care

Corporate Annexe
Home to global thought

As we look ahead

2001-02 will be a year of change. It is in the year of change that we need to look at our fundamentals more closely. Success will belong to companies who can align themselves to their customers and shareholders. We will use innovation and quality to align our team to our customers and use stock options to align our team to our shareholders. It is the speed with which we move that will separate the winners of the day. During these periods of change, we can count on our long experience in domestic market and our value system, encapsulated in our promise to our customer, to be our anchor.

I thank you all for your continuing support and the confidence you have placed in Wipro. We have a clear vision in front of us to realize and we will work towards it with passion and pride.

Yours sincerely,

Azim H Premji
Chairman and Managing Director

6

7

MINDS SHAPING TODAY
AND DEFINING TOMORROW

Wipro has always been India's premier IT company and today is a significant global player in the IT services, solutions and technology services space. With revenues of Rs.30,922 million, core areas of business include Global IT Services, Infrastructure Solutions, Professional Services and Business Solutions in India and APAC, and Consumer Care and Lighting.

Clients/Brands
Wipro's client base includes over 50 Fortune 500 companies, over 100 leading Indian corporates and two retail brands with revenue in excess of Rs.1 billion.

People
As of today Wipro employs over 14,000 people of whom 11,500 are in the IT businesses.

Location
Wipro is headquartered in Bangalore, India, in a campus spread across 4,64,000 square feet. Wipro has 28 customer dedicated development centers across India, Europe and United States, and also has 21 offices in United States, Canada, Finland, Taiwan, France and United Kingdom

This depth and diversity is bound by one philosophy - Applying Thought.

WIPRO INFOTECH

Wipro Infotech, a leading name in the Indian IT market, offers a comprehensive suite of IT Infrastructure Solutions, Professional Services, Communication Services and Business Solutions. The division has to its advantage, the experience of over 18 years in providing IT solutions, supporting more than 18000 customers, 7000 high end systems, across 190 locations, and a network of 180 business partners. Wipro Infotech is expanding its horizons into Asia Pacific and the Middle East. With over 1500 best of breed IT minds at work, assisted by robust processes, and alliances with world's leading technology companies, Wipro Infotech is geared to meet the most exacting IT demands of any customer.

WIPRO TECHNOLOGIES

Wipro Technologies is a leading provider of IT services globally. Customer offerings include Research and Development Services, Enterprise Solutions and Technology Infrastructure Services.

The fastest growing business unit accounting for over 57% of Wipro's revenues and 82% of operating income. Wipro Technologies' clientele includes Alcatel, Cisco, Nortel, Transco and Farmers Insurance to name a few.

WIPRO CORPORATE

Wipro Corporate is the central resource for functional value add in finance and human resource and a turbo-charger for corporate wide initiatives in the areas of quality, innovation and e-enabling the businesses.

WIPRO LEARNING CENTRE

Leadership building and development has been one of the core strengths of Wipro. The state of the art "Learning Centre" is reflective of its commitment to people development. The center is supported by over 20 experts in teaching and learning. Among other initiatives, the learning center conducts "life cycle development" programs for Wiproites.

WIPRO CONSUMER CARE AND LIGHTING

Reaching deep into the Indian market, this business unit offers a wide range of consumer products such as soaps, toiletries, lighting products and hydrogenated cooking oils.

WIPRO TECHNOLOGIES - *ARCHITECTING TOMORROW'S MINDWARE*

Wipro Technologies is the Global IT Services business of Wipro. Its service offerings address the requirements of the technology, enterprise and service provider markets. Over the years the business has strengthened its position across the world with well established client bases in Europe, Japan and the US. Globally it is recognized as a technology partner with a blend of industry experience, proven technology expertise and high-quality services.

THE WIPRO TECHNOLOGIES EDGE

- *Comprehensive range of IT services*
  - Provide hardware and software design and consultancy services to leading technology companies addressing opportunities in Telecom, Data Communication, Embedded Systems, Computing Platforms and Internet access devices. Expertise in the enterprise market includes electronic commerce, business intelligence, CRM, SCM, EAI and infrastructure management. These solutions are offered across specific industry segments.

- *Quality*
  - The first IT Services provider in the world to achieve the SEI-CMM Level 5, the highest level of quality certification, this certification is further integrated with the Six Sigma quality initiative.

- *Established track record with a global customer base*
  - Clients include Nortel, Compaq, Farmers Insurance, BG Transco amongst others.

- *People*
  - A leadership position, the opportunity to work with cutting edge technologies and focus on training and compensation, help attract and retain the best IT talent.

OUR OFFERING

R & D SERVICES

EMBEDDED AND INTERNET ACCESS
- Internet infrastructure • Home networking
- Consumer electronics • Automotive electronics

TELECOM AND INTER-NETWORKING
- Wireless networks • Data networks • Optical networks
- Voice systems • Network management

TELECOM AND INTERNET SERVICE PROVIDERS
- Application integration, network integration and custom development and maintenance

ENTERPRISE SOLUTIONS

FINANCIAL
- Investment management
- Consumer and wholesale banking
- Securities and capital market
- Insurance services

MANUFACTURING
- Discrete manufacture and high tech clients

UTILITIES
- Distribution and transmission areas for energy and utility companies

RETAIL
- Distribution logistics and warehouse management

TECHNOLOGY INFRASTRUCTURE SERVICES

CONSULTING MANAGED SERVICES
- Monitor
- Administer
- Diagnose
- Consult

REMOTE MANAGEMENT

PROJECTS EXECUTED

R&D SERVICES

- Development of embedded Internet browser in mobile phones

- Design and development of IP terabit router from scratch, adding voice capability to ATM (Voice over ATM)

- Bluetooth communication between core stack and a Bluetooth enabled third party device

- Design and development of Audio Codec on fixed point DSP for VoIP applications

- Operation support systems solutions for effective operations management in an Internet data center

ENTERPRISE SOLUTIONS

- Design, development and integration of strategic sourcing data warehouse for a utilities company

- Web application development, legacy to web re-engineering, web application security consulting and implementation for a retail company

- E-business integration involving 40 different technologies, CRM and BI application for claims processing and call center for an insurance company

- Digital rights management, device drivers for high speed printers for a document management company

CUSTOMERS SPEAK THEIR MINDS

"The one thing that impresses about Wipro the most is the sense of determination that they have. When I ask them to do a difficult task and they stand up and say they will move heaven and earth to make sure the job's done. The integrity and personal commitment that's been proved to me is extremely gratifying."
- Jim Sheilds,
  Director International Carriers Division, Nortel Networks

"Our vision for the future is everything for the Internet… by providing all of the communication processes for that technology, Wipro is right there in center of that vision."
- Patrick Burke,
  Director Global Development, Compaq

"We can be a discerning buyer, we can differentiate and Wipro would be our recommendation."
- Les Dawson,
  Head of Operations, Transco

"In the field of enterprise application implementation and more recently, Internet implementation, Wipro is one of the clear leaders."
- Andrew Efstathiou
  Program Manager, The Yankee Group

Wipro Technologies
- Global IT Services

The breadth and depth

Wipro Technologies is a union of diverse horizontal skills. The centralized customer acquisition and support functions provide leadership and a shared vision. The value provided to customers is from three distinct activities - Research and Development Services, enterprise solutions and technology infrastructure services.

Research and Development Services - creation and enhancement of our customers revenue streams

Research and Development Services include hardware and software engineering services to leading technology equipment companies across the globe. Our R&D service suite comprises solutions for embedded and Internet access devices, telecom and inter-networking and telecom and Internet service providers.

Embedded and Internet access solutions devices

Wipro Technologies' Embedded and Internet Access (E&IA) practice offers software design and development services in embedded systems, computing platforms and Internet access markets. It provides solutions to wide range of segments such as consumer electronics, automotive electronics, storage technologies, home networking, semiconductor, DSP/multimedia, mobile computing, process control systems and VLSI/system design.

Wipro's expertise in these technology domains has led to execution of projects like: Development of audio/video/speech codecs, Telematics application; Device drivers, Protocol stacks , System-on-a-Chip Solutions; FPGA/Board/ASIC design; Design of Link Aggregation system; Applications design for Set Top Box solution on Embedded Linux.

Wipro has partnership with ARM for providing design services around the ARM core. Wipro has set up a Symbian Competency center to offer services, embracing EPOC Operating System for smart phones. Wipro is a corporate member of the Embedded Linux Consortium. Wipro has strengthened its design services value chain by partnering with physical library vendors like Artisan and partner foundries like Hyundai.

Telecom and Inter-networking services

The Telecom and Inter-networking practice offers end-to-end product realization services for builders of the wireline, wireless and broadband Internet. It has built expertise in the areas of transportation and switching of both voice and data using frame relay and ATM for wired and wireless environment. Clients include major telecom and datacom equipment manufacturers like Nortel, Cisco, Lucent, Nokia, Ericsson, Alcatel and NEC. Areas of work encompass voice switches, data switches and routers, VoIP solutions, broadband access, wireless networks and interoperability services.

Embedded and Internet Access - Market Address
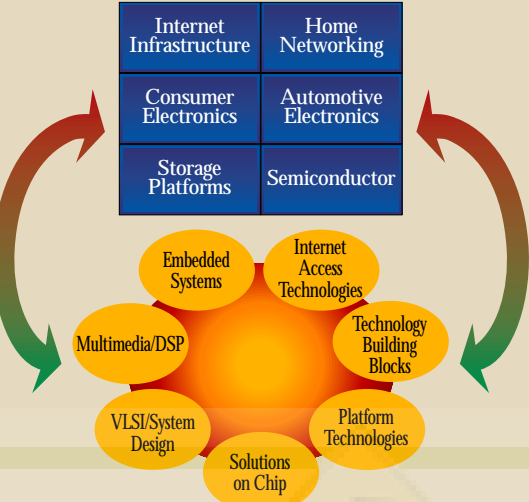
Embedded and Internet Access:
- A case study

Human-machine interface (HMI) for driver information system

The Challenge
A leading European automotive equipment vendor needed a complete GUI based human-machine interface (HMI) for their high-end driver information system. The dynamic nature of the automotive market forced the client to come up with frequent design changes. Further, there was a very narrow time line in which the prototype had to be delivered.

The Solution
Wipro provided the expertise of integrating discrete telematics functional modules like GPS, GSM, audio and RDS radio into a user-friendly ergonomic interface, designed in a manner that could be effortlessly extrapolated to fit diverse models and functionalities. The project was executed ahead of scheduled delivery date with defect-free code. Completion of the project ahead of schedule provided a "speed to market" advantage to the customer. Future enhancements for the product were enabled by developing a generic, reusable base object library. This enabled the customer to cut down on future development cycle times to remain ahead of competitors.

Telecom and inter-networking:
- A case study

The Challenge
A large North American switch manufacturer had a huge installed base of intelligent network elements in the US. They needed feature development and testing for advanced intelligent networks including processing of wireless prepaid services, call screening, GUI development, and development of a rating engine.

The Solution
Wipro assumed complete design ownership of various components of the product. This included protocol support for mobility management, subscriber profile management and location tracking. An array of technologies and protocols like ISUP, IS-41, TCAP, TCP/IP, SRD-1232 & IS-771 and design methodologies like OO, finite state machines and CORBA were used. Extensive stress testing was carried out and an IVRU simulator was developed.

Telecom and Internet service providers:
projects executed

- Offshoring critical provisioning solutions. Providing extended hours support. Development of enhancements for a large telecom service provider in USA. First and only Indian vendor to be chosen.
- Operation and management of the community Intranet infrastructure along with e-commerce portal for an UK based cable operator.
- Evolving the overall architecture and components for a wireless portal framework to enable location sensitive service and applications for a US based location service provider.

Telecom and Internet Service Providers

This practice was started in October 2000, addressing the end customer of the infrastructure chain. The practice offers complete basket of solutions required by service providers - both wireline as well as wireless such as Internet Service Providers, Application Service Providers and Internet Data Centers in areas such as system integration, billing, next generation applications, etc.

The practice has intellectual property rights for products like Teleprodigy - a convergence billing package, OSS Smart, a commissioning, mediation, customer care and fraud management software and WAP Smart a framework for WAP enabling application.

Enterprise Solutions - Building and enhancing our customers' IT infrastructure application and product implementation services

In Enterprise Solutions, Wipro offers services for new application development both on legacy and web platforms, application re-engineering and application integration from legacy to web, application maintenance and enhancement and production support and package implementation in ERP/CRM and deployment of datawarehousing solutions across vertical segments such as retail, utilities, finance, manufacturing and corporate.

In the e-com arena, Wipro's net.profit is the e-business engine for some of the world's successful corporations with its versatile web infrastructure, security, hosting and network integration solutions. Wipro's custom designed e-com solutions extend the customers' business capabilities and enhance bottom-line value. The rapidly deployable solutions include portal solutions, mobile and wireless solutions and web application security.