

WIPRO LIMITED

**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
PREPARED IN ACCORDANCE WITH U.S. GAAP
AS OF AND FOR THE
THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2002**

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

	As of September 30,		
	2001	2002	2002
	(unaudited)	(unaudited)	Convenience translation into US\$ (unaudited)
ASSETS			
Current assets:			
Cash and cash equivalents	Rs. 6,332,194	Rs. 11,810,054	\$ 244,009
Accounts receivable, net of allowances	5,126,564	7,075,111	146,180
Costs and earnings in excess of billings on contracts in progress	235,788	1,286,893	26,589
Inventories	1,797,166	1,372,230	28,352
Investment securities	2,706,996	1,360,977	28,119
Deferred income taxes	168,865	140,781	2,909
Property, plant and equipment held for sale (Note 3)	-	34,186	706
Other current assets	4,242,336	2,349,436	48,542
Total current assets	20,609,909	25,429,668	525,406
Investment securities	127,348	-	-
Property, plant and equipment, net	6,371,497	6,707,175	138,578
Investments in affiliates (Note 4)	760,081	678,386	14,016
Deferred income taxes	119,083	334,660	6,914
Intangible assets, net (Note 2)	450	413,332	8,540
Goodwill (Note 2)	743,903	4,015,143	82,958
Other assets	558,305	758,769	15,677
Total assets	<u>Rs. 29,290,576</u>	<u>Rs. 38,337,133</u>	<u>\$ 792,090</u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Borrowings from banks	Rs. 168,409	Rs. 474,335	\$ 9,800
Current portion of long-term debt	133,507	81,302	1,680
Accounts payable	2,036,414	2,074,602	42,864
Accrued expenses	2,079,911	2,874,056	59,381
Advances from customers	1,086,173	883,359	18,251
Deferred income taxes	26,940	-	-
Other current liabilities	555,777	545,417	11,269
Total current liabilities	6,087,131	6,933,071	143,245
Long-term debt, excluding current portion	49,771	29,770	615
Deferred income taxes	97,469	129,243	2,670
Other liabilities	66,733	83,984	1,735
Total liabilities	<u>6,301,104</u>	<u>7,176,068</u>	<u>148,266</u>
Minority interest	-	101,275	2,092
Stockholders' equity:			
Equity shares at Rs. 2 par value: 375,000,000 shares authorized; issued and outstanding: 232,437,689 and 232,496,246 shares as of September 30, 2001 and 2002	464,875	464,993	9,607
Additional paid-in capital	6,780,736	6,875,019	142,046
Deferred stock compensation	(136,441)	(84,003)	(1,736)
Accumulated other comprehensive income/(loss)	44,663	(4,090)	(85)
Retained earnings	15,835,714	23,807,946	491,900
Equity shares held by a controlled Trust: 1,308,460 and 1,302,410 shares as of September 30, 2001 and 2002	(75)	(75)	(2)
Total stockholders' equity	22,989,472	31,059,790	641,731
Total liabilities and stockholders' equity	<u>Rs. 29,290,576</u>	<u>Rs. 38,337,133</u>	<u>\$ 792,090</u>

See accompanying notes to the unaudited condensed consolidated financial statements.

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

	Three months ended September 30,			Six months ended September 30,		
	2001	2002	2002	2001	2002	2002
			Convenience translation into US\$			Convenience translation into US\$
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenues:						
Global IT Services and Products.....						
Services.....	Rs. 5,152,437	Rs. 6,692,672	\$ 138,278	Rs. 10,267,545	Rs. 12,947,049	\$ 267,501
Products.....	406,667	45,738	945	406,667	80,343	1,660
IT Enabled Services.....	-	410,504	8,481	-	410,504	8,481
India and AsiaPac IT Services and Products.						
Services.....	494,179	553,219	11,430	978,607	1,021,347	21,102
Products.....	1,229,268	1,633,683	33,754	2,114,032	2,915,987	60,248
Consumer Care and Lighting.....	742,762	719,681	14,869	1,467,924	1,435,331	29,656
Healthcare and Life Sciences.....						
Services.....	58,695	94,940	1,962	122,612	168,760	3,487
Products.....	87,583	143,679	2,969	183,711	245,709	5,077
Others.....	167,689	259,720	5,366	284,145	477,942	9,875
Total.....	<u>8,339,280</u>	<u>10,553,836</u>	<u>218,054</u>	<u>15,825,243</u>	<u>19,702,972</u>	<u>407,086</u>
Cost of revenues:						
Global IT Services and Products.....						
Services.....	2,838,286	3,887,921	80,329	5,510,619	7,490,330	154,759
Products.....	357,628	44,488	919	357,628	76,430	1,579
IT Enabled Services.....	-	260,806	5,389	-	260,806	5,389
India and AsiaPac IT Services and Products.						
Services.....	315,734	277,868	5,741	644,522	529,529	10,941
Products.....	1,018,633	1,458,785	30,140	1,709,033	2,599,071	53,700
Consumer Care and Lighting.....	544,533	493,710	10,201	1,034,675	968,369	20,008
Healthcare and Life Sciences.....						
Services.....	35,053	51,669	1,068	72,869	94,181	1,946
Products.....	58,246	90,290	1,865	125,331	179,850	3,716
Others.....	101,498	189,308	3,911	245,860	364,240	7,526
Total.....	<u>5,269,611</u>	<u>6,754,845</u>	<u>139,563</u>	<u>9,700,537</u>	<u>12,562,806</u>	<u>259,562</u>
Gross profit.....	3,069,669	3,798,991	78,492	6,124,706	7,140,166	147,524
Operating expenses:						
Selling, general and administrative expenses.....	(1,034,178)	(1,479,078)	(30,559)	(2,127,175)	(2,735,088)	(56,510)
Research and development expenses.....	(30,800)	(38,332)	(792)	(67,398)	(77,632)	(1,604)
Amortization of goodwill.....	(43,891)	-	-	(87,782)	-	-
Amortization of intangible assets.....	-	(47,000)	(971)	-	(47,000)	(971)
Foreign exchange gains, net.....	122,122	37,920	783	167,152	239,957	4,958
Others, net.....	1,246	32,855	679	14,869	69,066	1,427
Operating income.....	2,084,168	2,305,356	47,631	4,024,372	4,589,469	94,824
Other income, net.....	172,675	131,837	2,724	357,155	392,280	8,105
Income taxes.....	(191,282)	(285,876)	(5,907)	(459,922)	(539,673)	(11,150)
Income before share of equity in earnings/(losses) of affiliates, and minority interest.....	2,065,561	2,151,317	44,449	3,921,605	4,442,076	91,778
Equity in earnings/(losses) of affiliates (Note 4).....	11,126	(4,623)	(96)	55,592	(210,933)	(4,358)
Minority interest.....	-	(12,053)	(249)	-	(12,053)	(249)
Income from continuing operations.....	2,076,687	2,134,641	44,104	3,977,197	4,219,090	87,171
Discontinued operations						
Loss from operations of the discontinued corporate Internet services division (including loss on disposal of Rs. 249,220 for the six months ended September 30, 2002 and gain on disposal of Rs. 25,560 for the three months ended September 30, 2002) (Note 3).....	(25,000)	(10,428)	(215)	(43,691)	(551,267)	(11,390)
Income tax benefit (Note 3).....	8,925	3,832	79	15,598	156,002	3,223
Net income.....	<u>Rs. 2,060,612</u>	<u>Rs. 2,128,045</u>	<u>\$ 43,968</u>	<u>Rs. 3,949,104</u>	<u>Rs. 3,823,825</u>	<u>\$ 79,005</u>
Earnings per equity share: Basic						
Continuing operations.....	8.99	9.23	0.19	17.22	18.25	0.38
Discontinued operations.....	(0.07)	(0.03)	-	(0.12)	(1.71)	(0.04)
Net income.....	8.92	9.20	0.19	17.10	16.54	0.34
Earnings per equity share: Diluted						
Continuing operations.....	8.98	9.23	0.19	17.19	18.22	0.38
Discontinued operations.....	(0.07)	(0.03)	-	(0.12)	(1.71)	(0.04)
Net income.....	8.91	9.20	0.19	17.07	16.51	0.34
Weighted average number of equity shares used in computing earnings per equity share:						
Basic.....	231,016,123	231,181,364	231,181,364	231,021,983	231,171,372	231,171,372
Diluted.....	231,252,642	231,374,562	231,374,562	231,327,985	231,526,775	231,526,775

See accompanying notes to the unaudited condensed consolidated financial statements.

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

	Equity Shares		Additional	Deferred	Comprehensive	Accumulated	Retained	Equity Shares held by a		Total
	No. of Shares	Amount	Paid in	Stock		Other		Controlled Trust		Stockholders'
			Capital	Compensation		Income		Income	Earnings	
Balance as of March 31, 2002.....	<u>232,465,689</u>	<u>Rs. 464,932</u>	<u>Rs. 6,817,163</u>	<u>Rs. (93,201)</u>		<u>Rs. 51,861</u>	<u>Rs. 20,216,587</u>	<u>(1,321,335)</u>	<u>Rs. (75)</u>	<u>Rs. 27,457,267</u>
Cash dividends paid (Unaudited).....	—	—	—	—	—	—	(232,466)	—	—	(232,466)
Shares issued by Trust, net of forfeitures (Unaudited).....	—	—	—	—	—	—	—	18,925	—	—
Issuance of equity shares on exercise of options (Unaudited).....	30,557	61	33,133	—	—	—	—	—	—	33,194
Compensation related to employee stock incentive plan, net of reversals (Unaudited).....	—	—	24,723	(24,723)	—	—	—	—	—	—
Amortization of compensation related to employee stock incentive plan, net of reversals (Unaudited).....	—	—	—	33,921	—	—	—	—	—	33,921
Comprehensive income										
Net income (Unaudited).....	—	—	—	—	3,823,825	—	3,823,825	—	—	3,823,825
Other comprehensive income										
Unrealized gain/(loss) on investment securities, net (Unaudited).....	—	—	—	—	(55,951)	(55,951)	—	—	—	(55,951)
Comprehensive income					<u>3,767,874</u>					
Balance as of September 30, 2002 (Unaudited).....	<u>232,496,246</u>	<u>Rs. 464,993</u>	<u>Rs. 6,875,019</u>	<u>Rs. (84,003)</u>		<u>Rs. (4,090)</u>	<u>Rs. 23,807,946</u>	<u>(1,302,410)</u>	<u>Rs. (75)</u>	<u>Rs. 31,059,790</u>
Balance as of September 30, 2002 (Unaudited) (\$)..		<u>\$ 9,607</u>	<u>\$ 142,046</u>	<u>\$ (1,736)</u>		<u>\$ (85)</u>	<u>\$ 491,900</u>		<u>\$ (2)</u>	<u>\$ 641,731</u>

See accompanying notes to the unaudited condensed consolidated financial statements.

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

	Six months ended September 30,		
	2001	2002	2002
	(unaudited)	(unaudited)	Convenience translation into US\$ (unaudited)
Cash flows from operating activities:			
Net income	Rs. 3,949,104	Rs. 3,823,825	\$ 79,005
Adjustments to reconcile net income to net cash provided by operating activities:			
Loss from operations of the discontinued corporate Internet services division.....	28,093	395,265	8,167
Gain on sale of property, plant and equipment	(14,869)	(2,819)	(58)
Depreciation and amortization.....	696,529	655,577	13,545
Amortization of intangible assets.....	-	47,000	971
Deferred tax charge	89,403	3,768	78
Gain on sale of investment securities.....	-	(214,774)	(4,437)
Amortization of deferred stock compensation.....	39,985	33,921	701
Equity in (earnings) / losses of affiliates.....	(55,592)	210,933	4,358
Minority interest	-	12,053	249
Changes in operating assets and liabilities:			
Accounts receivable.....	867,001	(909,515)	(18,792)
Costs and earnings in excess of billings on contracts in progress	(170,454)	(277,098)	(5,725)
Inventories.....	(330,069)	29,916	618
Other assets.....	(1,961,344)	1,146,462	23,687
Accounts payable.....	186,398	(412,074)	(8,514)
Accrued expenses.....	295,439	837,567	17,305
Advances from customers.....	(12,334)	(201,429)	(4,162)
Other liabilities.....	63,103	47,626	984
Net cash provided by continuing operations.....	3,670,393	5,226,204	107,979
Net cash provided by discontinued operations.....	9,561	95,303	1,969
Net cash provided by operating activities.....	<u>3,679,954</u>	<u>5,321,507</u>	<u>109,948</u>
Cash flows from investing activities:			
Expenditure on property, plant and equipment.....	(1,389,290)	(1,007,216)	(20,810)
Proceeds from sale of property, plant and equipment.....	40,351	46,658	964
Dividends received from affiliates.....	1,821	49,000	1,012
Purchase of investment securities.....	(151,943)	(5,013,220)	(103,379)
Payment for acquisitions, net of cash acquired	-	(3,931,923)	(81,238)
Proceeds from sale and maturities of investment securities	77,037	8,872,937	183,325
Net cash used in continuing operations.....	(1,422,024)	(983,764)	(20,326)
Net cash used in discontinued operations.....	(8,765)	-	-
Net cash used in investing activities	<u>(1,430,789)</u>	<u>(983,764)</u>	<u>(20,326)</u>
Cash flows from financing activities:			
Proceeds from issuance of common stock	5,071	33,194	686
Proceeds from / (repayments of) short-term borrowing from banks, net	(178,241)	294,384	6,082
Repayment of long-term debt.....	(1,237,949)	-	-
Payment of cash dividends.....	(128,533)	(232,467)	(4,803)
Net cash provided by / (used in) financing activities.....	<u>(1,539,652)</u>	<u>95,111</u>	<u>1,965</u>
Net increase in cash and cash equivalents during the period.....	709,513	4,432,854	91,588
Cash and cash equivalents at the beginning of the period.....	<u>5,622,681</u>	<u>7,377,200</u>	<u>152,421</u>
Cash and cash equivalents at the end of the period.....	<u>Rs. 6,332,194</u>	<u>Rs. 11,810,054</u>	<u>\$ 244,009</u>

Supplementary information:

Cash paid for interest.....	Rs. 55,806	Rs. 13,962	\$ 288
Cash paid for taxes.....	593,738	782,251	16,162

See accompanying notes to the unaudited condensed consolidated financial statements.

WIPRO LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

NOTE 1: BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements of Wipro Limited ("Wipro" or the "Company") have been prepared in accordance with generally accepted accounting principles for interim financial information. In the opinion of management, all adjustments, which are of a normal recurring nature and necessary for a fair presentation, have been included.

The accompanying unaudited condensed consolidated financial statements have been prepared in Indian rupees, the national currency of India. Solely for the convenience of the readers, the financial statements as of and for the period ended September 30, 2002 have been translated into United States dollars at the noon buying rate in New York City on September 30, 2002, for cable transfers in Indian rupees, as certified for customs purposes by the Federal Reserve Bank of New York of \$1=Rs. 48.40. No representation is made that the Indian rupee amounts have been, could have been or could be converted into United States dollars at such a rate or any other rate.

NOTE 2 : ACQUISITIONS

Spectramind

In July 2002, the Company acquired a controlling equity interest in Spectramind eServices Private Limited ("Spectramind"), a leading IT-enabled service provider in India providing remote processing services to large global corporations in the US, UK, Australia and other developed markets. Subsequent to this acquisition, the Company held 89% of the outstanding equity shares of Spectramind acquired at a cost of Rs. 4,176,552. In September 2002, the Company acquired an additional 3% of the outstanding equity shares for Rs 150,038. The results of operations of Spectramind are consolidated in the Company's financial statements with effect from July 1, 2002.

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

The total purchase price of Rs. 4,326,590 has been allocated on a preliminary basis to the acquired assets and assumed liabilities as follows :

<u>Description</u>	<u>Fair value</u> <u>(Unaudited)</u>
Net tangible assets	Rs. 633,913
Customer-related intangibles	356,000
Marketing-related intangibles	32,000
Goodwill	<u>3,304,677</u>
Total	<u>Rs. 4,326,590</u>

The purchase consideration has been allocated on a preliminary basis to the assets acquired and liabilities assumed based on management's estimates and independent appraisals. However, certain independent appraiser's reports are yet to be received by the Company. Finalization of the purchase price allocation, which is expected to be completed in the next 6 months, may result in certain adjustments to the above allocation.

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

GE Medical Systems Information Technologies (“GEMSIT”)

In August 2002, Wipro acquired a 60% equity interest in GEMSIT, an India-based company engaged in the development of health care related software, and the technology rights in the business of GEMSIT for an aggregate consideration of Rs. 180,776.

The Company has also entered into a firm purchase agreement to acquire the balance 40% equity interest held by another minority shareholder for a consideration of Rs. 98,000. The acquisition of this balance 40% interest is subject to certain closing conditions. This transaction has not been consummated as of September 30, 2002.

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

The total purchase price of Rs. 180,776 has been preliminarily allocated to the acquired assets and assumed liabilities as follows:

<u>Description</u>	<u>Fair value</u>
	(Unaudited)
Net tangible assets	Rs. 54,550
Technology-based intangibles....	34,000
Customer-related intangibles	38,000
Goodwill.....	<u>54,226</u>
Total	<u>Rs. 180,776</u>

The purchase consideration has been allocated on a preliminary basis to the assets acquired and liabilities assumed based on management’s estimates. However, management is in the process of evaluating the impact of certain pre-acquisition contingencies on the purchase price allocation. Finalization of the purchase price allocation, which is expected to be completed in the next 6 months, may result in certain adjustments to the above allocation.

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

NOTE 3 : DISCONTINUED OPERATIONS

The Company was involved in the corporate Internet services (ISP) business since 1999. For strategic reasons, the Company decided to concentrate on its core businesses and as a result in June 2002, the Company decided to exit this division and approved a formal plan of disposal. Under the plan, the Company will sell the customer contracts and the related long-lived assets. Trade receivables relating to the division will be recovered by the Company and the Company will settle all outstanding vendor obligations. The Company currently expects to complete the disposal by March 31, 2003.

The long-lived assets of the division have been reported as held-for-sale and are measured at their fair value, less cost to sell, which is lower than their carrying amount. The loss of Rs. 249,220 resulting from the write-down is reported as loss on disposal. The estimated liabilities with respect to settlement of vendor obligations aggregate Rs. 113,490 and have been reported as other exit costs.

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

The results of operations of the discontinued component comprise:

	Six months ended September 30	
	2001	2002
	(Unaudited)	(Unaudited)
Revenue.....	Rs. 307,362	Rs. 49,780
Operating costs.....	(351,053)	(238,337)
Other exit costs	-	(113,490)
Loss on disposal.....	-	(249,220)
Income tax benefit	<u>15,598</u>	<u>156,002</u>
Loss on discontinued operations.....	<u>Rs. 28,093</u>	<u>Rs. 395,265</u>

NOTE 4 : INVESTMENTS IN AFFILIATES

Wipro GE Medical Systems (Wipro GE)

The Company has accounted for its 49% interest in Wipro GE by the equity method. The carrying value of the investment in Wipro GE as of September 30, 2001 and 2002, was Rs.692,555 and Rs. 559,671 respectively. The Company's equity in the income of Wipro GE for the six months ended September 30, 2001 was Rs.168,704 and the Company's equity in the losses of Wipro GE for the six months ended September 30, 2002 was Rs. 212,178.

WeP Peripherals

The Company has accounted for its 39.7% interest in WeP Peripherals by the equity method. The carrying value of the equity investment in WeP Peripherals as of September 30, 2001 and 2002, was Rs.67,526 and Rs. 118,715 respectively. The Company's equity in the income of WeP Peripherals for the six months ended September 30, 2001 and 2002 was Rs. 10,456 and Rs. 1,245 respectively.

NOTE 5: SEGMENT INFORMATION

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

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

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

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

In April 2002, the Company established a new business segment named Healthcare and Life Sciences, to address the IT requirements of the emerging healthcare and life sciences market. Wipro Biomed, a business segment which was previously reported in 'Others', became a part of the Healthcare and Life Sciences segment. Similarly, during the six months ended September 30, 2002, certain other business segments previously reported in 'Others' were integrated with India and AsiaPac IT Services and Products segment. Segment data for previous periods has been reclassified on a comparable basis.

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

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

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

Information on reportable segments is as follows:

Six months ended September 30, 2001 (Unaudited)

	Global IT Services and Products	India and AsiaPac IT Services and Products	Consumer Care and Lighting	Healthcare and Life Sciences	Others (net of eliminations)	Reconciling Items (2)	Entity Total
Revenues	Rs. 10,674,212	Rs. 3,092,639	Rs. 1,467,924	Rs. 306,323	Rs. 284,145	Rs. -	Rs. 15,825,243
Exchange rate fluctuations.....	171,998	(4,846)	-	-	-	(167,152)	-
Total revenues ..	10,846,210	3,087,793	1,467,924	306,323	284,145	(167,152)	15,825,243
Cost of revenues	(5,868,247)	(2,353,555)	(1,034,675)	(198,200)	(245,860)	-	(9,700,537)
Selling, general and administrative expenses	(1,178,296)	(535,148)	(234,367)	(71,328)	(28,235)	(79,801)	(2,127,175)
Research and development expenses	(67,398)	-	-	-	-	-	(67,398)
Exchange rate fluctuations.....	-	-	-	-	-	167,152	167,152
Others, net.....	-	(1,000)	1,808	-	-	(73,721)	(72,913)
Operating income of segment	Rs. 3,732,269	Rs. 198,090	Rs. 200,690	Rs. 36,795	Rs. 10,050	Rs.(153,522)	Rs. 4,024,372
Total assets of segment (3)	Rs. 9,435,070	Rs. 2,959,620	Rs.1,114,944	Rs. 268,546	Rs.749,116	Rs. 14,763,279	Rs.29,290,576
Capital employed (3).....	6,934,840	592,275	744,494	159,032	963,244	14,111,476	23,505,361
Return on capital employed (1), (3).....	108%	67%	54%	48%	-	-	-
Accounts receivable	3,607,651	1,127,463	147,662	128,804	114,984	-	5,126,564
Depreciation	443,284	66,157	31,816	2,574	15,998	48,918	608,747

Six months ended September 30, 2002 (Unaudited)

	Global IT Services and Products	IT Enabled Services	India and AsiaPac IT Services and Products	Consumer Care and Lighting	Healthcare and Life Sciences	Others (net of eliminations)	Reconciling Items (2)	Entity Total
Revenues	Rs. 13,027,392	Rs. 410,504	Rs. 3,937,334	Rs. 1,435,331	Rs. 414,469	Rs. 477,942	Rs. -	Rs. 19,702,972
Exchange rate fluctuations.....	<u>257,643</u>	<u>(5,284)</u>	<u>(515)</u>	<u>547</u>	<u>(44)</u>	-	<u>(252,347)</u>	-
Total revenues ..	13,285,035	405,220	3,936,819	1,435,878	414,425	477,942	(252,347)	Rs. 19,702,972
Cost of revenues	(7,566,760)	(260,806)	(3,128,600)	(968,369)	(274,031)	(364,240)	-	(12,562,806)
Selling, general and administrative expenses	(1,561,500)	(77,226)	(633,441)	(235,518)	(146,269)	(43,292)	(37,842)	(2,735,088)
Research and development expenses	(77,632)	-	-	-	-	-	-	(77,632)
Amortization of intangible assets	-	(36,000)	-	-	(11,000)	-	-	(47,000)
Exchange rate fluctuations.....	-	-	-	-	-	-	239,957	239,957
Others, net.....	<u>97</u>	<u>-</u>	<u>32,772</u>	<u>4,380</u>	<u>897</u>	<u>7,140</u>	<u>23,780</u>	<u>69,066</u>
Operating income of segment.....	<u>Rs. 4,079,240</u>	<u>Rs. 31,188</u>	<u>Rs. 207,550</u>	<u>Rs. 236,371</u>	<u>Rs. (15,978)</u>	<u>Rs. 77,550</u>	<u>Rs. (26,452)</u>	<u>Rs. 4,589,469</u>
Total assets of segment (3)	Rs. 12,598,014	Rs. 4,454,800	Rs. 3,600,949	Rs. 1,022,916	Rs. 479,443	Rs. 804,689	Rs. 15,376,322	Rs. 38,337,133
Capital employed (3).....	9,884,359	4,587,105	1,142,690	620,440	384,347	564,651	14,771,846	31,955,439
Return on capital employed (1),(3)	88%	3%	39%	71%	(12%)	-	-	-
Accounts receivable	4,495,509	174,799	1,797,679	141,688	252,481	212,955	-	7,075,111
Depreciation	461,632	41,567	77,849	30,233	4,160	15,347	24,789	655,577

- (1) Return on capital employed is computed based on the average of the capital employed at the beginning and at the end of the year.
- (2) Reconciling items include assets of the discontinued ISP division.
- (3) The total assets, capital employed and return on capital employed for the India and AsiaPac IT Services and Products segment excludes the impact of certain acquisition-related goodwill. This goodwill of Rs. 656,240 is reported as a component of reconciling items.

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

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

	Six months ended September 30,	
	2001	2002
	(unaudited)	(unaudited)
India.....	Rs. 4,903,821	Rs. 6,269,427
United States.....	6,213,851	8,646,498
Europe.....	2,198,336	3,776,232
Rest of the world.....	<u>2,509,235</u>	<u>1,010,815</u>
	<u>Rs. 15,825,243</u>	<u>Rs. 19,702,972</u>

NOTE 6: RECLASSIFICATIONS

The Company has reclassified certain costs for six months ended September 30, 2001, from selling, general and administrative expenses to cost of revenues to conform to the current presentation. The impact of this reclassification on reported gross profit is Rs. 128,023, which is not material. Certain other reclassifications have been made to conform prior period data to current presentation. The above reclassifications had no impact on reported net income or stockholders' equity.