

Wipro | BUY

Soft quarter and guidance

Wipro missed top-line expectations with revenue growth of 1.4% QoQ cc (0.6% organic vs JMFe: 0.9%). Growth was impacted by slower ramp-up of large deals and weakness in the EMR vertical; Capco saw seasonality and was flat YoY. Margins beat estimates, with IT services margins at 17.6% (vs. JMFe: 17.2%). Gross margins expanded, likely aided by currency benefits. Deal wins were soft at 1.27x book-to-bill. Management flagged lumpiness in large deals. Demand environment was dominated by vendor consolidation and cost takeout, with a pickup in AI-led transformation, while discretionary spend stayed subdued. 4Q guidance came in below expectations (JMFe: -0.5% to 1.5% organic) at 0-2% QoQ growth including Harman's contribution (c.1.6% QoQ per JMFe). Q4 will see impact from delayed ramp-ups and fewer working days. Overall, the quarter was lacklustre and highlighted persistent growth challenges, strong LTM deal bookings are yet to translate into revenue. We cut EPS by 3-4.5% but maintain our TP; potential for a large capital return (buyback), undemanding valuations (19x FY27E), and expectations of an overall demand recovery keep us constructive. BUY.

- 3QFY26- Topline miss, margins beat:** Wipro reported 1.4% QoQ cc growth in IT services below JMFe/cons. of 1.8%/1.6%. Harman contributed c.0.8%, implying c.0.6% cc organic growth. Growth softness stemmed from delayed ramp-up of select large deals and a sharp decline in EMR (-4.9% cc QoQ), which management attributed to macro uncertainty, tariff-related disruptions and supply-chain challenges. This was partly offset by BFSI (+2.6% cc QoQ), Technology & Comms (+4.2%) and Healthcare (+4.2%). Among geographies, Americas 1 (+1.8% cc QoQ), Europe (+3.3%) and APMEA (+1.7%) grew, while Americas 2 declined (-0.8%). Adj. IT services EBIT margins expanded c.40bps QoQ (over adj. margins in 2Q) to 17.6%, beating expectations (JMFe: 17.0%), emp. expenses reduced by c.70bps QoQ. Adj. PAT came in at INR 33.6bn (+3.6% QoQ/flat YoY), in line with cons., while reported PAT declined to INR 31.4bn (-3% QoQ/-7% YoY) due to one-off INR 3.0bn charge related to new labour code.
- Deal wins, guidance and outlook:** Deal TCV came in at USD 3.3bn in Q3FY26 (-5.7% YoY cc), translating into a book-to-bill of 1.27x. Large-deal TCV (USD 30mn+ deals) declined 8.4% cc YoY to USD 871mn. Softness was attributed to lumpiness of wins and quarterly fluctuation. LTM deal TCV stood at USD 16.9bn (+21% YoY) with a healthy book-to-bill of 1.63x, underpinning medium-term revenue visibility. Management guided for 0-2% QoQ cc growth in Q4; we estimate c.1.6% incremental contribution from the Harman, implying -ve organic growth at the midpoint. Fewer working days and delays in select large-deal ramp-ups will impact Q4. Phoenix is fully ramped, while other large vendor-consol deals are expected to ramp over the coming quarters and support revenues. On demand, management reiterated that discretionary spend remains weak, while consolidation and cost take-out dominate client budgets, with savings increasingly redirected toward AI-led transformation. On margins, management reiterated its intent to sustain EBIT margins within the 17-17.5% band, while flagging near-term pressure from Harman dilution, large-deal ramp-up, investments and potential wage hikes. With gross cash of c.USD 6.5bn, management noted that buyback remains an option.
- EPS cut 3-4.5%; maintain BUY:** Soft organic growth and weaker than expected Q4 outlook temper our growth assumptions. We stay cautious on margins, factoring in Harman dilution and continued large-deal investments. Our EPS sees cuts of 3-4.5%. However, potential for large distributions (buyback), undemanding valuations, and potential demand recovery keeps our TP unchanged, we now value WPRO at 21x from 20x before. Maintain BUY.



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Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	310
Upside/(Downside)	15.9%
Previous Price Target	310
Change	0.0%

Key Data – WPRO IN

Current Market Price	INR267
Market cap (bn)	INR2,804.7/US\$30.9
Free Float	27%
Shares in issue (mn)	5,480.1
Diluted share (mn)	10,498.2
3-mon avg daily val (mn)	INR2,195.7/US\$24.2
52-week range	325/225
Sensex/Nifty	83,570/25,694
INR/US\$	90.9

Price Performance

%	1M	6M	12M
Absolute	3.2	1.8	-7.2
Relative*	4.5	0.6	-14.4

* To the BSE Sensex

Financial Summary						(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E	
Net Sales	8,97,603	8,90,874	9,22,384	9,91,357	10,40,831	
Sales Growth (%)	-0.8	-0.7	3.5	7.5	5.0	
EBITDA	1,69,831	1,80,808	1,76,407	1,94,051	2,02,634	
EBITDA Margin (%)	18.9	20.3	19.1	19.6	19.5	
Adjusted Net Profit	1,10,453	1,31,344	1,32,011	1,37,709	1,36,614	
Diluted EPS (INR)	10.5	12.5	12.6	14.4	15.2	
Diluted EPS Growth (%)	3.1	18.7	0.4	14.5	5.3	
ROIC (%)	21.1	25.6	24.9	25.9	27.6	
ROE (%)	14.4	16.6	15.0	16.3	17.7	
P/E (x)	25.2	21.4	21.3	18.6	17.6	
P/B (x)	3.7	3.4	3.0	3.4	3.1	
EV/EBITDA (x)	7.0	6.1	5.8	6.3	5.7	
Dividend Yield (%)	0.4	2.2	4.1	2.2	4.5	

Source: Company data, JM Financial. Note: Valuations as of 16/Jan/2026

JM Financial Research is also available on: Bloomberg - JMFR <GO>, FactSet, LSEG and S&P Capital IQ.

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

Key Highlights from the call

- **Demand:** Management noted that AI has become a board-level mandate, materially shaping how clients plan, invest and operate. Demand themes seen in prior quarters continued, led by cost optimization, vendor consolidation and a clear shift toward AI-led transformation. Discretionary uncertainty persists, with clients remaining in a wait-and-watch mode. Management highlighted that delays in ramp-up of select large deals, particularly those with a mix of renewals and net-new scope, led to near-term softness, even as the underlying deal pipeline remains healthy and anchored around cost take-out and AI-led transformation opportunities.
- **Outlook:** Management guided for 0-2.0% QoQ cc growth in Q4FY26, with guidance including contribution from the Harman DTS acquisition. The outlook factors in fewer working days and delays in ramp-up of select large deals. Phoenix is now fully ramped and contributing to revenues, while other large deals-particularly vendor-consolidation deals with both renewal and net-new elements- are expected to ramp over the coming quarters and aid revenue growth. Management reiterated confidence in deal conversion despite near-term seasonality and execution-related headwinds.
- **Margins:** EBIT margin expanded to 17.6%, up 40bps QoQ on an adjusted basis and 10bps YoY. Margin performance reflected execution discipline despite continued investments toward large-deal ramp-ups and growth initiatives. Management highlighted an uptick in depreciation and amortization during the quarter, driven by re-evaluation and accelerated amortization of intangibles related to a past acquisition, noting this is expected to normalize, while incremental amortization from Harman DTS will commence going forward. Management reiterated its endeavor to maintain margins within the 17-17.5% band, while acknowledging quarter-to-quarter volatility due to growth investments, acquisition-related dilution and potential wage actions.
- **Verticals:** BFSI delivered sequential growth, supported by deal ramp-ups and new wins, with continued momentum driven by vendor consolidation and core modernization. Healthcare recorded strong sequential growth aided by open enrolment seasonality, with sustained traction from modernization programs and recent large deal wins. Technology & Communications grew sequentially, led by large technology clients, AI-led engineering productivity initiatives and partial Harman DTS contribution. Consumer delivered modest sequential growth but declined YoY, impacted by tariff-related uncertainty and a large SAP program that remains on hold; management described the outlook as mixed, though gradual ramp-up of earlier deal wins is expected to support growth. Energy, Manufacturing & Resources (EMR) declined sequentially amid macro uncertainty, tariff-related issues and supply-chain disruptions; however, management highlighted a strong pipeline driven by vendor consolidation and cost take-out opportunities. Capco remained flat YoY due to furloughs, though management highlighted improving momentum in energy consulting, with furlough-related headwinds expected to normalize.
- **AI strategy:** Management detailed Wipro Intelligence, its unified approach to AI-powered transformation, anchored on three pillars: (i) industry platforms and solutions (e.g., Payer AI, NetOxygen, AutoCortex), (ii) delivery platforms (WINGS and WEGA) embedding AI across applications, infrastructure and BPO, and (iii) the Wipro Innovation Network, connecting labs with partners, startups and academia globally. Management highlighted increasing client engagement at earlier stages of transformation and multiple large deal wins leveraging these capabilities.
- **Bookings:** Wipro closed USD 3.3bn TCV in Q3, including USD 871mn in large deals. Management reiterated confidence in the large-deal pipeline, noting that deal closures tend to be lumpy and that recent softness does not reflect slower decision-making or competitive pressure.
- **Capital allocation:** The Company declared an interim dividend of INR 6 per share, taking total cash distributed in FY26 to over USD 1.3bn, equivalent to c.88-89% of PAT. Management reiterated its commitment to returning excess cash while retaining flexibility for organic investments and acquisitions. With gross cash of c.USD 6.5bn, buybacks remain an option under consideration, subject to approvals, with management confirming that statutory conditions are conducive.

Outlook: 0% to +2.0% QoQ cc growth ahead in Q4. Guidance includes contribution Harman, which we estimate at 1.6%.

Margins may face headwinds due to large deal ramp-ups and dilution from Harman acquisition. Management however aspires to maintain margin band of 17-17.5%.

Soft deal bookings in 3Q at 1.27x book to bill. Softness in deal wins attributed to lumpiness

3QFY26 result review

Exhibit 1. 3Q26 Result summary – IT Services

	1Q26	4Q25	Change (QoQ)	Estimate (JMFe)	Variance (vs. JMFe)	Estimate (Consensus)	Variance (vs. consensus)	QoQ estimate	
								JMFe	Consensus
USD-INR	88.71	86.94	2.0%	89.22	-0.6%	89.03	-0.4%	2.6%	2.4%
CC Revenue Growth (QoQ)	1.4%	0.3%		1.8%		1.6%		1.8%	1.6%
Revenue (USD mn)	2,635	2,604	1.2%	2,648	-0.5%	2,643	-0.3%	1.7%	1.5%
Revenue (INR mn)	233,781	226,405	3.3%	236,278	-1.1%	235,302	-0.6%	4.4%	3.9%
EBIT (INR mn)	41,145	37,809	8.8%	40,123	2.5%	39,295	4.7%	6.1%	3.9%
EBIT margin	17.6%	16.7%	90bp	17.0%	62bp	16.7%	90bp	28bp	bp

Source: Company, JM Financial estimates

Exhibit 2. Key financials

(INR mn)	2Q25	3Q25	4Q25	FY25	1Q26	2Q26	3Q26
WIPRO LTD.							
Consolidated revenues	223,016	223,188	225,042	890,874	221,346	226,973	235,558
Change(YoY/QoQ)	1.5%	0.1%	0.8%	-0.7%	-1.6%	2.5%	3.8%
Cost of revenue	147,696	147,935	149,138	591,624	151,180	153,710	160,074
Gross profit	75,320	75,253	75,904	299,250	70,166	73,263	75,484
Gross margin	33.8%	33.7%	33.7%	33.6%	31.7%	32.3%	32.0%
Total operating expenses	29,467	29,932	29,824	118,442	27,769	29,075	32,487
EBITDA	45,853	45,321	46,080	180,808	42,397	44,188	42,997
EBITDA margin	20.6%	20.3%	20.5%	20.3%	19.2%	19.5%	18.3%
Depreciation & amortization	8,308	6,765	7,217	29,579	6,855	6,917	8,050
EBIT	37,545	38,556	38,863	151,229	35,542	37,271	34,947
EBIT margin	16.8%	17.3%	17.3%	17.0%	16.1%	16.4%	14.8%
Non-operating income (net)	5,230	5,972	8,276	23,464	6,991	5,401	6,364
Profit before tax	42,775	44,528	47,139	174,693	42,533	42,672	41,311
Income tax expense	10,512	10,866	11,549	42,777	9,218	10,200	9,889
Net income from ops	32,263	33,662	35,590	131,916	33,315	32,472	31,422
Change(YoY/QoQ)	20.8%	24.6%	23.6%	18.5%	9.6%	0.6%	-6.7%
Share in earnings of affiliates	3	5	291	254	50	152	28
Share of minority interest	178	129	185	826	61	162	260
PAT	32,088	33,538	35,696	131,344	33,304	32,462	31,190
Change(YoY/QoQ)	21.3%	24.5%	25.9%	18.9%	10.9%	1.2%	-7.0%
Adjusted basic EPS	3.1	3.2	3.4	12.6	3.2	3.1	3.2
Change(YoY/QoQ)	6.9%	4.5%	6.4%	291.7%	-6.8%	-2.6%	3.6%
IT SERVICES							
Total revenues (USD mn)	2,660	2,629	2,597	10,512	2,587	2,604	2,635
Change (yoY/qoq)	-2.0%	-1.0%	-2.3%	-2.7%	-1.5%	-2.1%	0.2%
Total Revenues (INR mn)	222,353	222,441	224,229	888,192	220,618	225,847	232,993
Change(YoY/QoQ)	-0.6%	0.5%	1.5%	-0.6%	0.7%	1.6%	4.7%
Cost of revenue (INR mn)	146,854	147,299	148,077	588,581	148,657	152,741	155,283
Gross profit (INR mn)	75,499	75,142	76,152	299,611	71,961	73,106	77,710
Gross margin	34.0%	33.8%	34.0%	33.7%	32.6%	32.4%	33.4%
Total operating expenses (INR mn)	29,475	29,798	29,890	118,430	27,156	28,940	29,267
EBITDA (INR mn)	46,025	45,344	46,261	181,181	44,806	44,166	48,443
EBITDA margin	20.7%	20.4%	20.6%	20.4%	20.3%	19.6%	20.8%
EBIT (INR mn)	37,322	38,990	39,270	151,639	38,134	37,809	41,186
EBIT margin	16.8%	17.5%	17.5%	17.1%	17.3%	16.7%	17.6%

Source: Company, JM Financial

Reported PAT was impacted by one-off charge of INR 3bn as of provision for new labor code. Adjusted for this expense PAT stood at INR 33.6bn

Exhibit 3. Comparison vs. other Tier 1 peers

YoY cc revenue growth	2QFY25	4QFY25	1QFY26	2QFY26	3QFY26
TCS	4.5%	4.2%	-3.1%	-3.3%	-2.6%
Infosys	6.1%	4.8%	2.4%	2.9%	1.7%
Wipro	-1.1%	1.2%	-2.3%	-2.6%	-1.2%
LTIM	5.6%	6.3%	4.4%	4.4%	5.0%
HCLtech	4.1%	2.9%	3.7%	4.6%	4.8%
TechM	1.3%	0.3%	-1.0%	-0.3%	1.3%
QoQ cc revenue growth	2QFY25	4QFY25	1QFY26	2QFY26	3QFY26
TCS	0.0%	-0.8%	-3.3%	0.8%	0.8%
Infosys	1.7%	-3.5%	1.8%	2.2%	0.6%
Wipro	0.1%	-0.8%	-2.0%	0.3%	1.4%
LTIM	1.8%	-0.6%	0.8%	2.4%	2.1%
HCLtech	3.8%	-0.8%	-0.8%	2.4%	4.2%
TechM	1.2%	-1.5%	-1.4%	1.6%	1.7%
EBIT margin	2QFY25	4QFY25	1QFY26	2QFY26	3QFY26
TCS*	24.5%	24.2%	24.5%	25.2%	25.2%
Infosys	21.3%	21.0%	21.4%	21.0%	21.2%
Wipro*	19.5%	17.5%	17.3%	17.2%	17.6%
LTIM	13.8%	13.8%	14.3%	15.9%	15.9%
HCLtech	19.5%	18.0%	16.8%	17.5%	18.6%
TechM	10.2%	10.5%	11.1%	12.1%	13.1%

Note: *Excludes one-off restructuring expense for TCS. In 2QFY26. Adjusted for one-off client bankruptcy in Wipro for 2QFY26.

Source: Company, JM Financial estimates

Exhibit 4. Deal Wins

(USD mn)	3Q25	4Q25	1Q26	2Q26	3Q26
Total Bookings TCV	3,514	3,955	4,971	4,688	3,335
Large Deal TCV	961	1,763	2,666	2,853	871

Source: Company, JM Financial

TTM book-to-bill: 1.63x

3Q book to bill of 1.27x

Exhibit 5. Strategic markets unit mix

	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26
Distribution						
Americas 1	30.8%	32.3%	32.8%	33.1%	33.0%	33.2%
Americas 2	30.6%	30.6%	30.6%	30.4%	29.6%	29.0%
Europe	27.9%	26.7%	26.1%	25.7%	26.3%	26.7%
APMEA	10.7%	10.4%	10.5%	10.7%	11.1%	11.1%
Revenue (USD mn and QoQ growth)						
Americas 1	819	849	852	856	859	875
Change	1.0%	3.6%	0.3%	0.6%	0.3%	1.8%
Americas 2	814	805	795	787	771	764
Change	0.6%	-1.2%	-1.2%	-1.0%	-2.0%	-0.9%
Europe	742	702	678	665	685	704
Change	2.4%	-5.4%	-3.5%	-1.9%	3.0%	2.7%
APMEA	285	273	273	277	289	293
Change	1.3%	-3.9%	-0.3%	-0.4%	3.4%	1.2%

Source: Company, JM Financial

Europe: Led by BFSI and ramp up of phoenix deal

APMEA: Grew with strong demand from India, middle east and SEA

Exhibit 6. Vertical portfolio

	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Distribution					
Technology and Communications	15.4%	15.3%	15.3%	15.5%	15.6%
Consumer Business unit	19.0%	18.9%	18.6%	18.2%	18.2%
Energy, Resources & Utilities	17.0%	16.9%	17.2%	17.7%	17.4%
Banking, financial services and insurance	34.1%	34.2%	33.6%	34.3%	34.6%
Health Business Unit	14.7%	14.4%	14.6%	14.5%	14.9%
Revenue (USD mn and QoQ growth)					
Technology and communication	402	395	401	406	422
Change	-2%	-2%	2%	1%	4%
Consumer Business unit	500	491	481	474	480
Change	-2%	-2%	-2%	-2%	1%
Energy, Resources & Manufacturing	444	449	458	453	430
Change	-2%	1%	2%	-1%	-5%
Banking, financial services and insurance	897	888	869	893	912
Change	-3%	-1%	-2%	3%	2%
Health Business Unit	386	374	378	378	393
Change	7%	-3%	1%	0%	4%

Source: Company, JM Financial

Tech and comms vertical was aided by Harman acquisition consolidation. EMR vertical saw macro weakness and delay in ramps. BFSI was aided by phoenix deal. Health business unit benefitted from open enrolment season

Exhibit 7. Key client metrics

	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Client base					
Active clients	1,299	1,282	1,266	1,257	1,272
Net client addition	-43	-17	-16	-9	15
Revenue per active client (USD mn)	2.02	2.03	2.04	2.07	2.07
Revenue concentration					
Top client	4.5%	4.4%	4.7%	4.8%	4.7%
Top 5 clients	14.3%	14.5%	14.7%	14.4%	14.4%
Top 10 clients	23.7%	24.2%	24.5%	24.0%	23.7%
Non-Top10 clients	76.3%	75.8%	75.5%	76.0%	76.3%
New business	31.5	49.3	10.3	36.5	15.8
Revenue growth					
Top client	8.5%	-3.4%	6.4%	2.8%	-0.9%
Top-2 to 5 clients	-2.2%	1.8%	-1.3%	-3.4%	2.2%
Top-5 clients	1.0%	0.1%	1.0%	-1.4%	1.2%
Top-6 to 10 clients	4.4%	1.9%	0.7%	-1.4%	-2.0%
Top-10 clients	2.3%	0.8%	0.9%	-1.4%	-0.1%
Non-top-10 clients	-2.2%	-1.9%	-0.7%	1.3%	1.6%
Relationship distribution					
USD1M+ Clients	722	716	725	730	722
Change	-11	-6	9	5	-8
USD5M+ Clients	290	289	281	272	281
Change	-7	-1	-8	-9	9
USD10M+ Clients	187	181	180	177	177
Change	1	-6	-1	-3	0
USD50M+ Clients	42	44	47	45	45
Change	0	2	3	-2	0
USD100M+ Clients	18	17	16	16	16
Change	-3	-1	-1	0	0

Source: Company, JM Financial

Exhibit 8. Key manpower metrics

	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Total manpower – IT services	232,732	233,346	233,232	235,492	242,021
Net addition	-1,157	614	-114	2,260	6,529
Attrition (TTM)	15.3%	15.0%	15.1%	14.9%	14.2%
Utilization - ex trainees	83.5%	84.6%	85.0%	86.4%	83.1%

Source: Company, JM Financial

Exhibit 9. Expense analysis

	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Employee compensation	59.6%	59.3%	60.7%	60.0%	60.3%
Sub-contractor/tech. fees	11.6%	11.1%	11.6%	11.7%	11.7%
Cost of hardware and software	0.3%	0.4%	0.3%	0.4%	1.0%
Travel	1.4%	1.4%	1.7%	1.5%	1.3%
Facility expenses	4.0%	4.0%	4.1%	3.9%	4.2%
Depreciation and amortization and impairment	3.0%	3.2%	3.1%	3.0%	3.4%
Communication	0.4%	0.4%	0.4%	0.4%	0.4%
Legal and professional fees	1.3%	1.4%	0.9%	1.2%	1.2%
Rates, taxes and insurance	0.7%	0.8%	0.5%	0.6%	0.7%
Marketing expenses	0.5%	0.4%	0.4%	0.4%	0.3%
Provision for doubtful debt	-0.3%	0.2%	0.2%	0.7%	0.4%
Miscellaneous expenses	0.2%	0.2%	0.1%	-0.1%	0.2%
Total	82.7%	82.7%	83.9%	83.6%	85.2%

Source: Company, JM Financial

Retain BUY, TP maintained at INR 310

We have revised our YoY cc growth expectations by 64-83 bps over FY26-28E (for IT services). We expect 110bps of favourable cross currency impact for FY26E resulting in flat growth for the year. Our EBIT margin estimates have been revised by (8)-21bps over FY26-28E. We now expect EBIT margins of 17.1% for FY26E and build 0/-10bps margin contraction over FY27/28E. Management's stated target range is 17-17.5%. We have factored in investments towards large deal ramp up in and Harman's dilution in our estimates. Our PAT estimates for FY26/27 has decreased by 3%-4.5%. We now value Wipro at 21x 24m fwd EPS vs 20x earlier. Maintain buy with a TP of INR 310.

Exhibit 10. What has changed – Wipro (IT Services)

	Old			New			Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Exchange rate (INR/USD)	87.78	89.50	90.00	87.64	89.50	90.00	-0.2%	0.0%	0.0%
Revenue growth (YoY) CC	-0.5%	5.9%	5.0%	-1.2%	5.0%	5.0%	-68bp	-83bp	bp
Consolidated revenue (USD mn)	10,565	11,179	11,735	10,498	11,021	11,570	-0.6%	-1.4%	-1.4%
Growth in USD revenues (YoY)	0.5%	5.8%	5.0%	-0.1%	5.0%	5.0%	-64bp	-83bp	0bp
Consolidated revenue (INR mn)	927,384	1,000,542	1,056,154	919,993	986,378	1,041,331	-0.8%	-1.4%	-1.4%
EBITDA margin	20.1%	20.3%	20.3%	20.3%	20.4%	20.5%	25bp	12bp	0bp
EBIT margin	16.9%	17.0%	17.1%	17.1%	17.0%	17.0%	21bp	-8bp	0bp
Adj. PAT (INR mn)	138,617	143,489	143,163	134,449	137,709	136,614	-3.0%	-4.0%	-4.6%
EPS	13.2	15.0	15.9	12.8	14.4	15.2	-3.0%	-4.0%	-4.5%

Source: JM Financial estimates

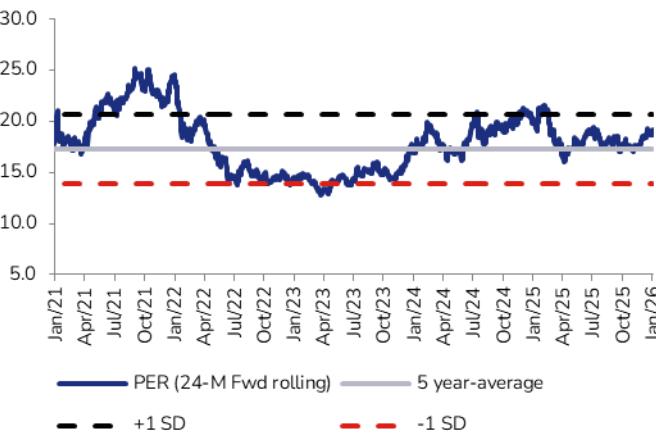
Exhibit 11. JMFe vs. Consensus estimates – Wipro (Consol.)

	Consensus estimates			JMFe estimates			JMFe vs. Consensus		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Sales (USD mn)	10,202	10,852	11,367	10,425	11,077	11,565	2.2%	2.1%	1.7%
Sales (INR mn)	920,680	979,387	1,025,847	922,384	991,357	1,040,831	0.2%	1.2%	1.5%
EBITDA (Rsm)	181,560	195,345	205,251	176,407	194,051	202,634	-2.8%	-0.7%	-1.3%
EBITDA margin	19.7%	19.9%	20.0%	19.1%	19.6%	19.5%	-60bp	-37bp	-54bp
EBIT (Rsm)	152,613	163,593	172,125	145,760	159,538	166,205	-4.5%	-2.5%	-3.4%
EBIT margin	16.6%	16.7%	16.8%	15.8%	16.1%	16.0%	-77bp	-61bp	-81bp
EPS (Rs)	12.7	13.3	14.0	12.8	14.4	15.2	0.9%	8.0%	8.0%

Note: Consensus estimates as of 12thJan and may not reflect changes in estimates post result. Source: Bloomberg, JM Financial estimates

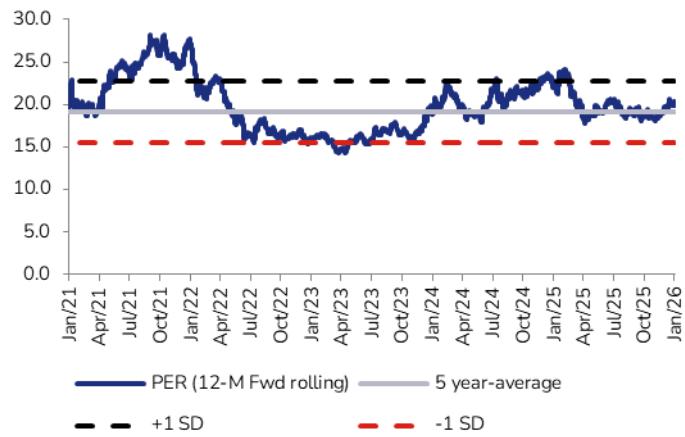
Valuation charts

Exhibit 12. Price to earnings chart 24M Fwd, 5 years



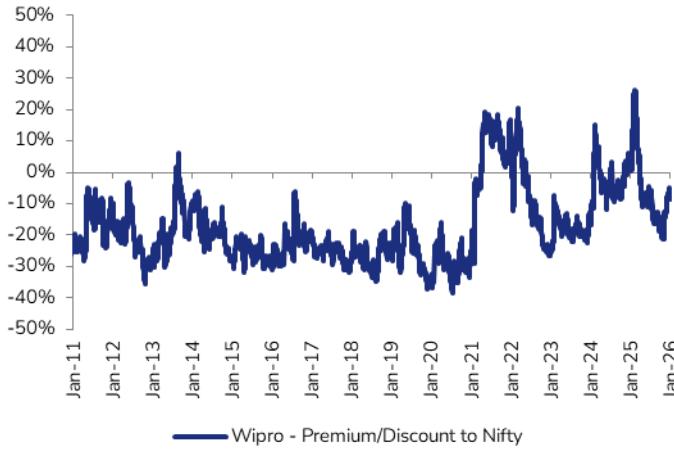
Source: Bloomberg, JM Financial

Exhibit 13. Price to earnings chart 12M Fwd, 5 years



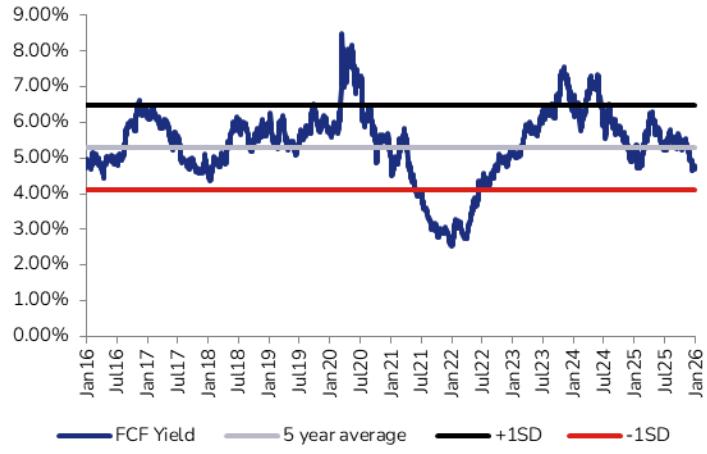
Source: Bloomberg, JM Financial

Exhibit 14. Wipro- PER Premium/Discount to Nifty (12M fwd)



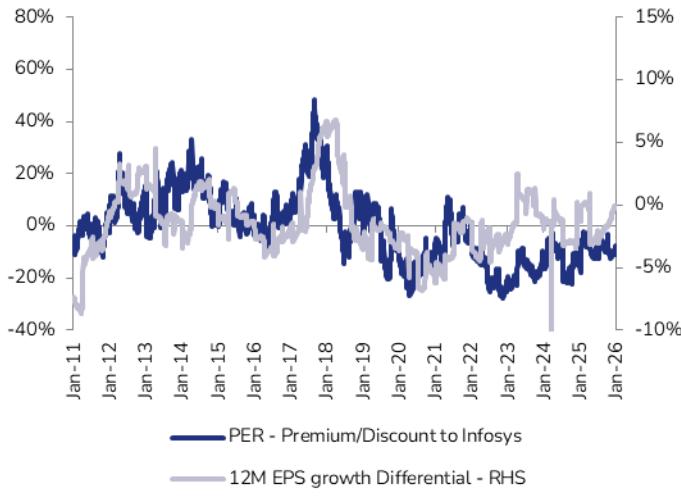
Source: Bloomberg, JM Financial

Exhibit 15. Wipro FCF Yield below 5 yr average(LTM FCF Yield)



Source: Bloomberg, JM Financial

Exhibit 16. PER and earnings growth differential with Infosys



Source: Bloomberg, JM Financial

Exhibit 17. PER and earnings growth differential with TCS



Source: Bloomberg, JM Financial

Financial Tables (Consolidated)

Income Statement (INR mn)						Balance Sheet (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E	Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	8,97,603	8,90,874	9,22,384	9,91,357	10,40,831	Shareholders' Fund	7,49,887	8,28,309	9,31,835	7,56,682	7,85,456
Sales Growth	-0.8%	-0.7%	3.5%	7.5%	5.0%	Share Capital	10,450	20,944	20,974	20,974	20,974
Other Operating Income	0	0	0	0	0	Reserves & Surplus	7,39,437	8,07,365	9,10,861	7,35,708	7,64,482
Total Revenue	8,97,603	8,90,874	9,22,384	9,91,357	10,40,831	Preference Share Capital	0	0	0	0	0
Cost of Goods Sold/Op. Exp	6,31,496	6,17,802	6,53,241	7,01,448	7,10,178	Minority Interest	1,340	2,138	2,166	2,686	3,726
Personnel Cost	0	0	0	0	0	Total Loans	1,41,466	1,61,817	1,63,061	1,63,061	1,63,061
Other Expenses	1,30,347	1,21,843	1,23,383	1,30,371	1,64,448	Def. Tax Liab. / Assets (-)	-1,817	-2,561	-4,452	-4,452	-4,452
EBITDA	1,69,831	1,80,808	1,76,407	1,94,051	2,02,634	Total - Equity & Liab.	8,90,876	9,89,703	10,92,610	9,17,977	9,47,791
<i>EBITDA Margin</i>	18.9%	20.3%	19.1%	19.6%	19.5%	Net Fixed Assets	4,30,358	4,33,148	4,82,310	4,84,850	4,83,865
<i>EBITDA Growth</i>	1.5%	6.5%	-2.4%	10.0%	4.4%	Gross Fixed Assets	81,608	80,684	85,181	87,721	86,736
Depn. & Amort.	34,071	29,579	30,647	34,513	36,429	Intangible Assets	3,48,750	3,52,464	3,97,129	3,97,129	3,97,129
EBIT	1,35,760	1,51,229	1,45,760	1,59,538	1,66,205	Less: Depn. & Amort.	0	0	0	0	0
Other Income	11,344	23,432	25,120	21,087	11,921	Capital WIP	0	0	0	0	0
Finance Cost	0	0	0	0	0	Investments	3,33,844	4,39,259	4,10,506	4,10,506	4,10,506
PBT before Excep. & Forex	1,47,104	1,74,661	1,70,880	1,80,625	1,78,126	Current Assets	3,86,440	4,11,552	5,51,697	3,85,073	4,23,440
Excep. & Forex Inc/Loss(-)	340	32	2,028	600	500	Inventories	907	694	766	823	865
PBT	1,47,444	1,74,693	1,72,908	1,81,225	1,78,626	Sundry Debtors	1,97,721	1,98,119	2,23,300	2,39,997	2,22,496
Taxes	36,089	42,777	40,412	42,588	41,084	Cash & Bank Balances	96,953	1,21,974	2,21,963	35,517	89,145
Extraordinary Inc./Loss(-)	0	0	0	0	0	Loans & Advances	0	0	0	0	0
Assoc. Profit/Min. Int.(-)	-902	-572	-485	-928	-928	Other Current Assets	90,859	90,765	1,05,669	1,08,735	1,10,934
Reported Net Profit	1,10,453	1,31,344	1,32,011	1,37,709	1,36,614	Current Liab. & Prov.	2,59,766	2,94,256	3,51,903	3,62,453	3,70,020
Adjusted Net Profit	1,10,453	1,31,344	1,32,011	1,37,709	1,36,614	Current Liabilities	1,75,040	1,94,118	2,24,244	2,31,752	2,37,138
Net Margin	12.3%	14.7%	14.3%	13.9%	13.1%	Provisions & Others	1,63,892	1,98,001	2,88,861	2,91,902	2,94,084
Diluted Share Cap. (mn)	10,470.4	10,490.7	10,498.2	9,563.5	9,007.9	Net Current Assets	1,26,674	1,17,296	1,99,794	22,620	53,420
Diluted EPS (INR)	10.5	12.5	12.6	14.4	15.2	Total - Assets	8,90,876	9,89,703	10,92,610	9,17,977	9,47,791
Diluted EPS Growth	3.1%	18.7%	0.4%	14.5%	5.3%						
Total Dividend + Tax	12,602	75,758	1,38,990	69,063	1,30,101						
Dividend Per Share (INR)	1.0	6.0	11.0	6.0	12.0						

Source: Company, JM Financial

Cash Flow Statement (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	1,11,121	1,32,180	1,32,496	1,38,637	1,37,542
Depn. & Amort.	34,071	29,579	30,647	34,513	36,429
Net Interest Exp. / Inc. (-)	-11,344	-23,432	0	0	0
Inc (-) / Dec in WCap.	18,051	10,274	-9,531	1,07,421	1,16,693
Others	39,444	47,254	45,963	48,139	46,635
Taxes Paid	-15,360	-26,175	-40,412	-42,588	-41,084
Operating Cash Flow	1,75,983	1,69,680	1,59,162	2,86,122	2,96,215
Capex	-10,510	-14,737	-35,144	-37,054	-35,444
Free Cash Flow	1,65,473	1,54,943	1,24,019	2,49,069	2,60,772
Inc (-) / Dec in Investments	0	0	0	0	0
Others	0	0	0	0	0
Investing Cash Flow	-10,510	-14,737	-35,144	-37,054	-35,444
Inc / Dec (-) in Capital	13	27	0	0	0
Dividend + Tax thereon	-5,218	-62,750	0	0	0
Inc / Dec (-) in Loans	-1,30,557	-1,77,672	0	0	0
Others	-11,750	-8,689	0	0	0
Financing Cash Flow	-1,47,512	-2,49,084	0	0	0
Inc / Dec (-) in Cash	17,961	-94,141	1,24,019	2,49,069	2,60,772
Opening Cash Balance	91,880	96,953	1,21,974	2,21,963	35,517
Closing Cash Balance	1,09,841	2,812	2,45,993	4,71,031	2,96,289

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	12.3%	14.7%	14.3%	13.9%	13.1%
Asset Turnover (x)	0.9	0.9	0.8	0.9	1.0
Leverage Factor (x)	1.3	1.3	1.3	1.3	1.4
RoE	14.4%	16.6%	15.0%	16.3%	17.7%
Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	71.6	79.0	88.8	79.1	87.2
ROIC	21.1%	25.6%	24.9%	25.9%	27.6%
ROE	14.4%	16.6%	15.0%	16.3%	17.7%
Net Debt/Equity (x)	-0.4	-0.4	-0.5	-0.3	-0.4
P/E (x)	25.2	21.4	21.3	18.6	17.6
P/B (x)	3.7	3.4	3.0	3.4	3.1
EV/EBITDA (x)	7.0	6.1	5.8	6.3	5.7
EV/Sales (x)	1.3	1.2	1.1	1.2	1.1
Debtor days	80	81	88	88	78
Inventory days	0	0	0	0	0
Creditor days	42	44	47	47	47

Source: Company, JM Financial

History of Recommendation and Target Price

Recommendation History

Date	Recommendation	Target Price	% Chg.
9-Dec-22	Buy	480	
13-Jan-23	Buy	480	0.0
28-Apr-23	Buy	450	-6.3
14-Jul-23	Buy	450	0.0
19-Oct-23	Buy	450	0.0
13-Jan-24	Buy	550	22.2
20-Apr-24	Buy	550	0.0
21-Jul-24	Buy	620	12.7
18-Oct-24	Buy	640	3.2
18-Jan-25	Buy	360	-43.8
17-Apr-25	Buy	290	-19.4
18-Jul-25	Buy	320	10.3
22-Aug-25	Buy	320	0.0
1-Oct-25	Buy	280	-12.5
17-Oct-25	Buy	290	3.6

Wipro



APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

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New Rating System: Definition of ratings	
Rating	Meaning
BUY	Expected return >= 15% over the next twelve months.
ADD	Expected return >= 5% and < 15% over the next twelve months.
REDUCE	Expected return >= -10% and < 5% over the next twelve months.
SELL	Expected return < -10% over the next twelve months.

Note: For REITs (Real Estate Investment Trust) and InvIT (Infrastructure Investment Trust) total expected returns include dividends or DPU (distribution per unit)

Previous Rating System: Definition of ratings	
Rating	Meaning
BUY	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
HOLD	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
SELL	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

* REITs refers to Real Estate Investment Trusts.

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