Wipro

Performance Highlights

(₹ cr)	3QFY17	2QFY17	% chg (qoq)	3QFY16	% chg (yoy)
Net revenue	13,688	13,766	(0.6)	12,861	6.4
EBITDA	2,731	2,654	2.9	2,649	3.1
EBITDA margin (%)	20.0	19.3	68bps	20.6	(64)bps
PAT	2,109	2,067	2.0	2,237	(5.7)

Source: Company, Angel Research

Wipro posted below expectations results for 3QFY2017. The Company's IT services recorded revenues of US$1,903mn (US$1,919mn expected) v/s US$1,916mn in 2QFY2017, a qoq de-growth of 0.7%. Revenue in Constant Currency (CC) came at 0.6% qoq. In Rupee terms, revenues came in at ₹13,688cr (₹14,096cr expected) v/s ₹13,766cr in 2QFY2017, dip of 0.6% qoq. On EBIT front, the company posted EBIT of 16.9% (15.9% expected) v/s 15.8% in 2QFY2017, expansion of 110bps qoq. Consequently, PAT came in at ₹2,109cr (₹2,124cr expected) v/s ₹2,067cr in 2QFY2017, a growth of 2% qoq. It terms, of the guidance, the company has guided for 4QFY2017 sales of US$1,916-1,955. **We maintain our Buy rating.**

Quarterly highlights: IT services recorded revenues of US$1,903mn (US$1,919mn expected) v/s US$1,916mn in 2QFY2017, a qoq de-growth of 0.7%. Revenue in Constant Currency (CC) came at 0.6% qoq. It terms of geography, USA contributed around 55.5% of sales in 3QFY2017 as compared to 54.8% of sales in 3QFY2016. Growth recorded in CC terms, were - US 1.0% qoq, APAC and other emerging markets 1.3% qoq growth, while Europe 1.7% qoq. On EBIT front, the company posted an EBIT of 16.9% (15.9% expected) v/s 15.8% in 2QFY2017, expansion of 110bps qoq. Consequently, PAT came in at ₹2,109cr (₹2,124cr expected) v/s ₹2,067cr in 2QFY2017, a growth of 2% qoq.

Outlook and valuation: The management has set a target of US$15bn of revenue and an EBIT margin of 23% by 2020. The company achieving the revenue target would imply a CAGR of 20% in sales over the next four years. However, the near term guidance suggests a moderate organic growth. **We maintain a Buy on the stock with a Target Price of ₹590 given the valuations.**

Key financials (Consolidated, IFRS)

Y/E March (₹ cr)	FY2015	FY2016	FY2017E	FY2018E
Net sales	46,955	51,631	55,440	60,430
% chg	8.1	10.0	7.4	17.0
Net profit	8,653	8,887	9,148	9,853
% chg	11.0	2.7	2.9	7.7
EBITDA margin (%)	22.3	21.7	18.1	18.1
EPS (₹)	35.1	35.9	37.0	39.9
P/E (x)	13.8	13.5	13.1	12.1
P/BV (x)	2.9	2.6	2.4	2.2
RoE (%)	21.1	19.0	19.0	17.0
RoCE (%)	15.3	13.4	13.4	13.9
EV/Sales (x)	2.1	1.8	1.7	1.4
EV/EBITDA (x)	9.3	8.5	8.2	6.9

Source: Company, Angel Research; Note: CMP as of January 31, 2017

BUY

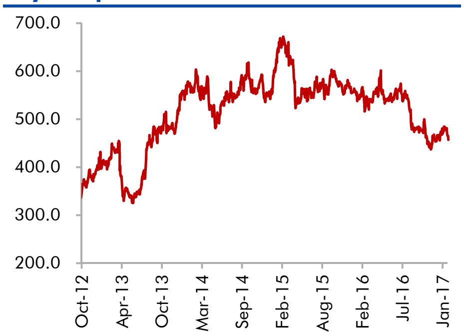
CMP	₹457
Target Price	₹590
Investment Period	12 Months

Stock Info	
Sector	IT
Market Cap (₹ cr)	111,116
Net Debt (₹ cr)	(21,460)
Beta	0.6
52 Week High / Low	607/410
Avg. Daily Volume	187,478
Face Value (₹)	2
BSE Sensex	27,656
Nifty	8,561
Reuters Code	WIPR.BO
Bloomberg Code	WPRO@IN

Shareholding Pattern (%)	
Promoters	73.3
MF / Banks / Indian FIs	8.1
FII / NRIs / OCBs	12.9
Indian Public / Others	5.7

Abs.(%)	3m	1yr	3yr
Sensex	(1.0)	11.2	34.8
Wipro	(1.7)	(18.5)	(20.5)

3-year price chart



Source: Company, Angel Research

Sarabjit kour Nangra
+91 22-39357800 Ext: 6806
sarabjit@angelbroking.com

Exhibit 1: 3QFY2017 performance (Consolidated, IFRS)

Y/E March (₹ cr)	3QFY17	2QFY17	% chg (qoq)	3QFY16	% chg (yoy)	9MFY2017	9MFY2016	% chg (yoy)
Net revenue	**13,688**	**13,766**	*(0.6)*	**12,861**	*6.4*	**41,053**	**37,899**	*8.3*
Cost of revenue	9,173	9,296	*(1.3)*	8,675	*5.7*	28,108	25,022	*12.3*
Gross profit	**4,515**	**4,470**	*1.0*	**4,186**	*7.9*	**12,945**	**12,877**	*0.5*
SGA expense	1,784	1,816	*(1.8)*	1,537	*16.0*	5,374	4,582	*17.3*
EBITDA	**2,731**	**2,654**	*2.9*	**2,649**	*3.1*	**7,571**	**8,295**	*(8.7)*
Dep. and amortisation	485	485	-	352	*37.7*	969	1,066	*(9.1)*
EBIT	2,247	2,169	*3.6*	2,297	*(2.2)*	6,602	7,229	*(8.7)*
Other income	512	496	*3.3*	572	*(10.5)*	1,493	1,337	*11.6*
PBT	2,759	2,665	*3.5*	2,869	*(3.8)*	8,095	8,555	*(5.4)*
Income tax	644	591	*9.0*	625	*3.0*	1,847	1,868	*(1.1)*
PAT	**2,115**	**2,074**	*2.0*	**2,246**	*(5.8)*	**6,247**	**6,687**	*(6.6)*
Minority interest	5	7		9		19	30	
Adj. PAT	**2,109**	**2,067**	*2.0*	**2,237**	*(5.7)*	**6,228**	**6,670**	*(6.6)*
Diluted EPS	**8.7**	**8.5**	*2.2*	**9.1**	*(4.3)*	**25.6**	**27.2**	*(5.7)*
Gross margin (%)	33.0	32.5	*52bps*	32.5	*44bps*	31.5	34.0	*(244)bps*
EBITDA margin (%)	20.0	19.3	*68bps*	20.6	*(64)bps*	18.4	21.9	*(344)bps*
EBIT margin (%)	16.4	15.8	*66bps*	17.9	*(145)bps*	16.1	19.1	*(299)bps*
PAT margin(%)	15.4	15.0	*41bps*	17.4	*(192)bps*	15.2	17.6	*(238)bps*

Source: Company, Angel Research

Exhibit 2: 3QFY2017 – Actual vs Angel estimates

(₹ cr)	Actual	Estimate	*Variation (%)*
Net revenue	**13,688**	**14,096**	*(2.9)*
EBIT margin (%)	*16.4*	*15.9*	*62bps*
PAT	**2,109**	**2,124**	*(0.7)*

Source: Company, Angel Research

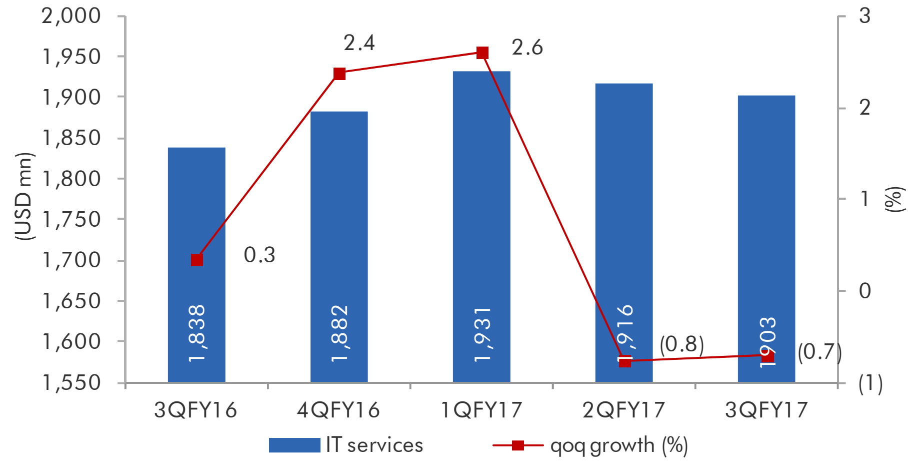
Revenues lower than expected in Dollar terms

Wipro posted results below expectations. It posted IT services revenues of US$1,903mn (US$1,919mn expected) v/s US$1,916mn in 2QFY2017, a qoq de-growth of 0.7%. Revenue in Constant Currency (CC) came at 0.6% qoq. In Rupee terms, revenues came in at ₹13,688cr (₹14,096cr expected) v/s ₹13,766cr in 2QFY2017, dip of 0.6% qoq.

It terms, of geography it was USA, which contributed around 55.5% of sales in 3QFY2017 as compared to 54.8% of sales in 3QFY2016. On CC terms, US posted a growth of 1.0% qoq, APAC and other emerging markets posted 1.3% qoq growth while Europe posted 1.7% qoq growth. On services side, Communications posted a 0.8% CC qoq growth, Consumer Business Unit posted a 0.1% CC qoq growth, Energy, Natural Resources & Utilities posted a 2.1% CC qoq growth, Finance Solutions, posted a 0.8% qoq growth, Healthcare, Life Sciences & Services posted a 0.1% CC qoq growth, while Manufacturing and Technology posted a 0.1% CC qoq growth.

The company's management is optimistic on the Energy segment going into 2017, while, in Healthcare it's cautious given the change of guard in US.

Exhibit 3: Trend in IT Services revenue



Source: Company, Angel Research

Exhibit 4: Revenue growth (Industry wise – CC basis)

	% to revenue	% growth (QoQ)	% growth (yoy)
Global media and telecom	7.4	0.8	4.2
Financial solutions	25.5	0.8	4.3
Manufacturing and hi-tech	22.3	0.1	0.0
Healthcare, life sciences and services	16.0	0.1	39.0
Retail and transportation	15.8	0.1	0.5
Energy and utilities	13.0	2.1	(0.3)

Source: Company, Angel Research

Services wise, Wipro's anchor service lines ADM (contributed 44.4% to revenue) and Technology Infrastructure Services (contributed 28.1% to revenue) registered a growth of 0.7% and a dip of 1.1% qoq respectively. Analytics and Information Management, which contributed 7.0% of sales, de-grew by 5.4% qoq, while, Product Engineering and Mobility contributed 7.2% of sales and grew by 1.3% qoq.

Exhibit 5: Revenue growth (Service wise)

Service verticals	% to revenue	% growth (qoq)
Technology infrastructure services	28.1	(1.1)
Analytics and information management	7.0	(5.4)
BPO	13.3	(1.6)
Product engineering and mobility	7.2	(1.3)
ADM	44.4	0.7

Source: Company, Angel Research

Geography wise, the developed economies such as America and Europe grew by 1.0% and 1.3% qoq in CC terms respectively. India posted a 4.2% qoq CC de-growth, during the period. However, APAC and other emerging markets posted a 1.7% qoq growth for the quarter.

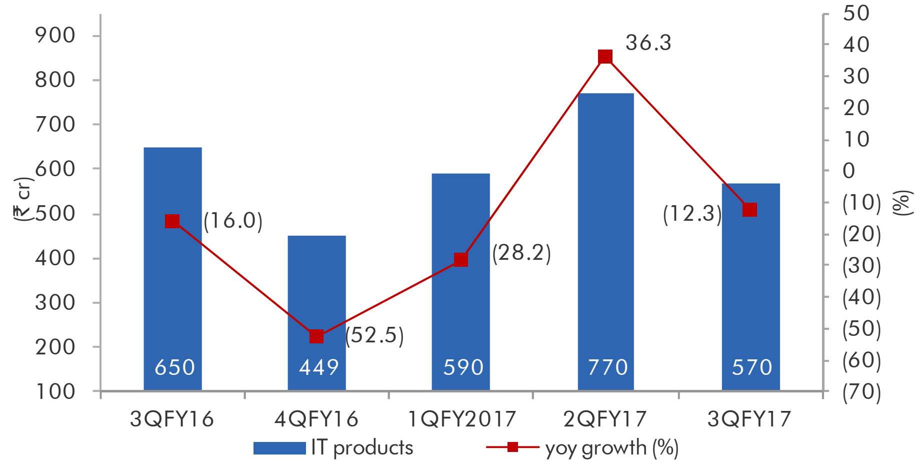
Exhibit 6: Revenue growth (Geography wise, CC basis)

	% to revenue	% growth (QoQ)	% growth (yoy)
America	55.5	1.0	9.0
Europe	23.6	1.7	(1.3)
India and Middle East	10.0	1.3	8.5
APAC and other emerging markets	10.9	(4.2)	(5.2)

Source: Company, Angel Research

The IT Products segment reported a 12.3% yoy de-growth in revenue to ₹570cr during the quarter.

Exhibit 7: IT Products – Revenue growth (yoy)



Source: Company, Angel Research

Hiring and utilization

Wipro reported a net addition of 4,891 employees in its IT Services employee base, which now stands at 174,238 employees. Though voluntary attritions (annualized) in the global IT business increased considerably, it remained stagnant on a net basis at 16.3%. The utilization rate of the global IT business moved up by 40bps sequentially to 71.6%. Going ahead, an improvement in utilization level will be an important margin lever.

Exhibit 8: Employee pyramid

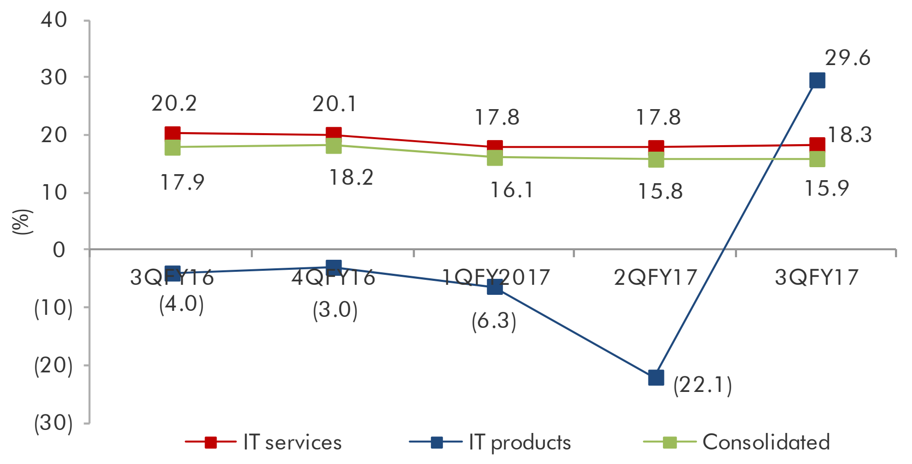
Employee pyramid	3QFY16	4QFY16	1QFY17	2QFY17	3QFY17
Utilization – Global IT (%)	66.4	68.1	69.9	71.2	71.6
Attrition (%)					
Global IT	16.3	16.1	16.5	16.6	16.3
BPO	9.9	11.1	11.7	12.2	10.7
Net additions	2,268	2,248	951	375	4,891

Source: Company, Angel Research

Margins better than expected

On EBIT front, the posted EBIT of 16.9% (15.9% expected) v/s 15.8% in 2QFY2017, expansion of 110bps qoq, mainly aided by better utilization of the employees. Losses in the product business continued to hurt the overall EBIT margins of the company.

Exhibit 9: Segment-wise EBIT margin trend



Source: Company, Angel Research

Client pyramid

Wipro added 108 new clients during the quarter with its active client base now standing at 1,259. Amongst these, 1 has been in the US$100mn+ bracket and 2 in the US$50mn+ bracket. The company management is optimistic on the Energy segment going into 2017, while, in Healthcare it's cautious given the change of guard in US.

Exhibit 10: Client metrics

Particulars	3QFY16	4QFY16	1QFY17	2QFY17	3QFY17
US$100mn plus	9	9	9	8	9
US$75mn–$100mn	8	9	10	11	8
US$50mn–$75mn	15	15	14	14	16
US$20mn–$50mn	53	56	58	58	57
US$10mn–$20mn	69	71	79	80	80
US$5mn–$10mn	93	88	82	87	94
US$3mn–$5mn	78	83	84	83	85
US$1mn–$3mn	211	219	229	230	227
New client addition	39	119	50	47	108
Active customers	1,105	1,223	1,208	1,180	1,259

Source: Company, Angel Research

Investment highlights

Moderate outlook on growth: For 4QFY2017, the company has given a revenue guidance of US$1,916-1,955mn implying a US$ qoq growth of 1-2% on CC terms. Hence, after the 4QFY2017 guidance, the expected recovery in the company looks more likely in FY2018. We expect US$ and INR revenue CAGR to be at 8.4% and 8.2% respectively over FY2016-18E.

Target sales CAGR of 20% and EBIT Margin of 23%: Company as part of its vision for 2020 is targeting to reach US$15bn revenues with 23% EBIT margin, implying revenue CAGR of ~20% over the next four years. If the margins expand by 300bps, then it would imply an even higher CAGR for earnings. The company sees itself better placed than this time as against last year to latch on to opportunities in the market though the same aggression and optimism is yet to reflect in its performance. Going by the guidance, the company's organic growth outlook is not even closer to its peers. However, on the acquisition front, the company has been very aggressive in comparison to its peers.

During the quarter, company announced the acquisition of Appirio, a leading cloud services company in areas like Sales force and Workday implementation. Appirio's CY2015 revenue was US$196mn and purchase consideration for the acquisition is US$500mn. Its customers include Virgin America, Four Seasons Hotels & Resorts, Coca Cola, eBay, Home Depot, Honeywell, NYSE Euronext, Toyota and Facebook, among others.

Earlier, the company had acquired HealthPlan Services from Water Street Healthcare Partners. Since partnering with Water Street in 2008, HealthPlan Services has grown to become the leading independent technology and Business Process as a Service (BPaaS) provider in the US health insurance market. As part of the agreement, Wipro will acquire 100% of HealthPlan Services' shares for a purchase consideration of US$460mn. Headquartered in Tampa, Florida, HealthPlan Services employs over 2,000 associates. It offers market-leading technology platforms and a fully integrated BPaaS solution to health insurance companies in the individual, group and ancillary markets. HealthPlan Services' BPaaS solutions are ideal for players who want to operate in the private and public exchanges and the off-exchange individual market in the US.

Outlook and valuation

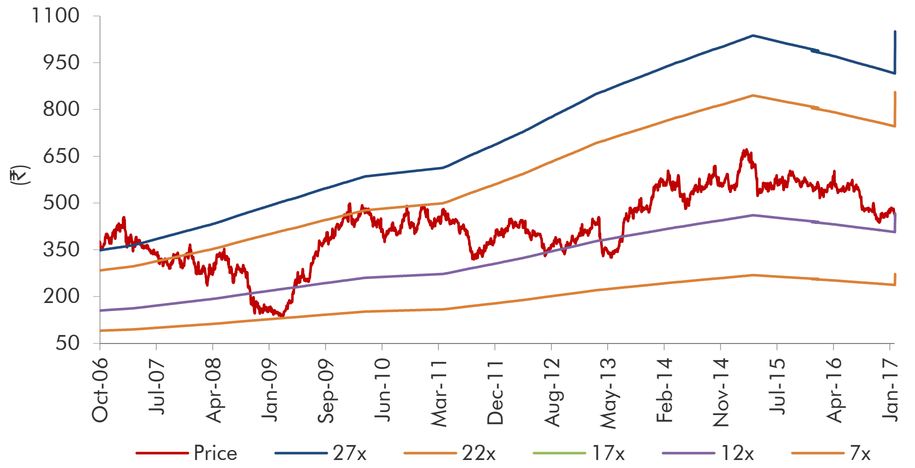
The new CEO of the company has put in place an aggressive target of 20% revenue CAGR over the next four years, with much improved profitability (where the company has significant levers in the form of automation and improving utilization levels). Also, the company announced a total of ₹6/share in dividend and up to ₹2,500cr through a buyback. Thus, the total payout in FY2016 amounts to ~45% compared to 34% in FY2015. The company guided at sustaining ~40% payout going forward, which will improve the overall returns of the shareholders. On the valuation front, the stock is currently trading at 13.1x its FY2017E and 11.5x its FY2018E EPS, i.e. at a discount to its peers, while we expect the gap to narrow down once the company's performance comes in-line with its peers in terms of growth and profitability. **We maintain a Buy on the stock with a Target Price of ₹590.**

Exhibit 11: Key assumptions

	FY2017E	FY2018E
Revenue growth – IT services (USD)	7.8	9.0
USD-INR rate (realized)	66.0	66.0
Revenue growth – Consolidated (₹)	7.4	17.0
EBITDA margin (%)	18.1	18.1
Tax rate (%)	22.0	22.0
EPS growth (%)	2.9	7.7

Source: Company, Angel Research

Exhibit 12: One-year forward PE chart



Source: Company, Angel Research

Exhibit 13: Recommendation summary

Company	Reco	CMP (₹)	Tgt. price (₹)	Upside (%)	FY2018E EBITDA (%)	FY2018E P/E (x)	FY2016-18E EPS CAGR (%)	FY2018E EV/Sales (x)	FY2018E RoE (%)
HCL Tech	Buy	809	1,000	23.6	20.5	12.6	9.6	1.8	17.9
Infosys	Buy	929	1,249	34.4	27.0	13.4	8.4	2.2	21.6
TCS	Accumulate	2,230	2,620	17.5	27.6	15.3	8.5	3.1	33.1
Tech Mahindra	Buy	452	600	32.8	17.0	11.3	11.4	1.0	20.7
Wipro	Buy	457	583	27.5	18.1	11.5	4.0	1.6	17.6

Source: Company, Angel Research

Company background

Wipro is among the leading Indian companies, majorly offering IT services. The company is also engaged in the IT hardware (10% of sales) business. Wipro's IT arm is India's fourth largest IT firm, employing more than 168,000 professionals, offering a wide portfolio of services such as ADM, consulting and package implementation, and servicing more than 1,000 clients.

Profit & Loss account (Consolidated, IFRS)

Y/E March (₹ cr)	FY2014	FY2015	FY2016	FY2017E	FY2018E
Net revenue	**43,427**	**46,955**	**51,631**	**55,440**	**60,430**
Cost of revenues	29,549	30,846	34,325	38,143	41,576
Gross profit	**13,878**	**16,108**	**17,306**	**17,297**	**18,854**
% of net sales	*32.0*	*34.3*	*33.5*	*31.2*	*31.2*
Selling and mktg exp.	2,925	3,063	3,319	3,714	4,049
% of net sales	*6.7*	*6.5*	*6.4*	*6.7*	*6.7*
General and admin exp.	2,354	2,585	2,788	3,548	3,867
% of net sales	*5.4*	*5.5*	*5.4*	*6.4*	*6.4*
Depreciation and amortization	1,111	1,282	1,496	1,608	1,752
% of net sales	*2.6*	*2.7*	*2.9*	*2.9*	*2.9*
EBIT	**8,600**	**9,179**	**9,703**	**10,035**	**10,938**
% of net sales	*19.8*	*19.5*	*18.8*	*18.1*	*18.1*
Other income, net	1,501	1,990	1,770	1,593	1,593
Share in profits of eq. acc. ass.	0	0	0	0	0
Profit before tax	10,101	11,168	11,473	11,627	12,531
Provision for tax	2,260	2,462	2,537	2,651	2,857
% of PBT	*22.4*	*22.0*	*22.1*	*22.1*	*22.8*
PAT	**7,840**	**8,706**	**8,936**	**8,976**	**9,674**
Share in earnings of associate	-	-	-	-	-
Minority interest	44	53	49	59	59
Adj. PAT	**7,797**	**8,653**	**8,887**	**8,917**	**9,614**
Diluted EPS (₹)	**31.5**	**35.1**	**35.9**	**36.1**	**38.9**

Balance sheet (Consolidated, IFRS)

Y/E March (₹ cr)	FY2014	FY2015	FY2016	FY2017E	FY2018E
Assets					
Goodwill	6,342	6,808	10,199	6,316	6,317
Intangible assets	194	793	1,584	1,584	1,584
Property, plant & equipment	5,145	5,421	6,495	6,795	6,795
Investment in equ. acc. investees	268	387	491	491	491
Derivative assets	29	74	26	26	26
Non-current tax assets	1,019	1,141	1,175	1,175	1,175
Deferred tax assets	336	295	380	380	380
Other non-current assets	1,430	1,437	1,583	1,583	1,583
Total non-current assets	**14,762**	**16,354**	**21,933**	**18,350**	**18,351**
Inventories	229	485	539	539	539
Trade receivables	8,539	9,153	10,238	10,063	11,778
Other current assets	3,947	7,336	10,407	10,407	10,407
Unbilled revenues	3,933	4,234	4,827	4,827	4,827
Available for sale investments	6,056	5,391	13,294	13,294	13,294
Current tax assets	977	649	781	781	781
Derivative assets	366	508	568	568	568
Cash and cash equivalents	11,420	15,894	9902	17559	21400
Total current assets	**35,469**	**43,649**	**50,556**	**58,038**	**63,593**
Total assets	**50,230**	**60,003**	**72,489**	**76,387**	**81,943**
Equity					
Share capital	493	493	494	493	494
Share premium	1,266	1,403	1,462	1,462	1,462
Retained earnings	31,495	37,225	42,574	46,371	50,390
Share based payment reserve	102	131	223	102	103
Other components of equity	1,047	1,545	1,853	1,853	1,853
Shares held by controlled trust	(54)	-	-	-	-
Eq. attrib. to shareholders of Co.	34,350	40,789	46,606	50,282	54,302
Minority interest	139	165	222	222	222
Total equity	**34,489**	**40,954**	**46,828**	**50,504**	**54,525**
Liabilities					
Long term loans and borrowings	1,091	1,271	1,736	1,736	1,736
Deferred tax liability	180	324	511	511	511
Derivative liabilities	63	16	12	12	12
Non-current tax liability	345	670	823	823	823
Other non-current liabilities	417	366	723	723	723
Provisions	1	1	-	-	-
Total non-current liabilities	**2096**	**2647**	**3804**	**3804**	**3804**
Loans and bank overdraft	4,068	6,621	10,786	10,786	10,786
Trade payables	5,226	5,875	6,819	6,659	8,066
Unearned revenues	1,277	1,655	1,808	1,877	1,878
Current tax liabilities	1,248	804	702	1,015	1,143
Derivative liabilities	250	75	234	234	234
Other current liabilities	1,439	1,222	1,382	1,382	1,382
Provisions	137	152	126	126	126
Total current liabilities	13,646	16,403	21,856	22,079	23,614
Total liabilities	15,742	19,050	25,661	25,883	27,419
Total equity and liabilities	**50,230**	**60,003**	**72,489**	**76,387**	**81,943**

Cash flow statement (Consolidated, IFRS)

Y/E March (₹ cr)	FY2014	FY2015	FY2016	FY2017E	FY2018E
Pre tax profit from operations	8,935	11,168	11,473	11,473	12,531
Depreciation	1,111	1,282	1,496	1,496	1,752
Expenses (deferred)/written off	(13)	(13)	(13)	(13)	(13)
Pre tax cash from operations	10,033	12,438	12,956	12,956	14,270
Other income/prior period ad	1,165	1,990	1,770	1,770	1,593
Net cash from operations	11,198	14,428	14,726	14,726	15,863
Tax	(2,260)	(2,462)	(2,537)	(2,537)	(2,857)
Cash profits	**8,938**	**11,965**	**12,189**	**12,189**	**13,006**
(Inc)/dec in current assets	(2,653)	(8,181)	(6,906)	-	(16,613)
Inc/(dec) in current liab.	(828)	2,757	5,453	-	1,758
Net trade working capital	(3,482)	(5,423)	(1,453)	(1,453)	(14,855)
Cashflow from oper. actv.	**5,456**	**6,542**	**10,736**	**10,736**	**(1,849)**
(Inc)/dec in fixed assets	(1,203)	(276)	(1,075)	-	(300)
(Inc)/dec in intangibles	(889)	(600)	(791)	-	-
(Inc)/dec in investments	594	(119)	(104)	-	-
(Inc)/dec in net def. tax assets	87	-	-	-	-
(Inc)/dec in derivative assets	(24)	-	-	-	-
(Inc)/dec in non-current tax asset	12	7	146	-	-
(Inc)/dec in minority interest	22	9	(4)	-	10
Inc/(dec) in other non-current liab	90	273	510	-	-
(Inc)/dec in other non-current ast.	(122)	(122)	(34)	-	-
Cashflow from investing activities	**(1,667)**	**(826)**	**(1,352)**	**(1,352)**	**(290)**
Inc/(dec) in debt	1,006	180	465	-	-
Inc/(dec) in equity/premium	(123)	314	(14,062)	3,362	15,151
Dividends	(1,736)	(1,736)	(1,780)	(5,089)	(5,596)
Cashflow from financing activities	**(853)**	**(1,242)**	**(15,377)**	**(1,727)**	**9,555**
Cash generated/(utilized)	**2,936**	**4,474**	**(5,992)**	**7,658**	**7,416**
Cash at start of the year	8,484	11,420	15,894	9,902	17,559
Cash at end of the year	11,420	15,894	9,902	17,559	24,975

Key Ratios

Y/E March	FY2014	FY2015	FY2016	FY2017E	FY2018E
Valuation ratio (x)					
P/E (on FDEPS)	15.3	13.7	13.4	13.3	12.4
P/CEPS	7.3	6.7	6.4	6.4	5.8
P/BVPS	3.4	2.9	2.5	2.6	2.4
Dividend yield (%)	1.7	2.5	1.2	4.3	4.7
EV/Sales	2.3	2.0	1.8	1.7	1.3
EV/EBITDA	10.2	9.1	8.4	8.0	6.2
EV/Total assets	2.0	1.6	1.3	1.2	1.0
Per share data (₹)					
EPS (Fully diluted)	31.5	35.1	35.9	35.9	38.9
Cash EPS	66.3	72.1	75.2	75.2	83.1
Dividend	8.0	12.0	6.0	20.6	22.6
Book value	139.5	165.7	189.4	187.6	203.8
Return ratios (%)					
RoCE (pre-tax)	17.1	15.3	13.4	13.4	12.8
Angel RoIC	32.6	28.8	24.8	24.8	29.3
RoE	22.6	21.1	19.0	19.0	17.6
Turnover ratios(x)					
Asset turnover (fixed assets)	8.5	8.9	8.7	7.9	9.0
Receivables days	68	69	69	70	71
Payable days	67	67	67	67	67

Research Team Tel: 022 - 39357800 E-mail: research@angelbroking.com Website: www.angelbroking.com

DISCLAIMER

Angel Broking Private Limited (hereinafter referred to as "Angel") is a registered Member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited and Metropolitan Stock Exchange Limited. It is also registered as a Depository Participant with CDSL and Portfolio Manager with SEBI. It also has registration with AMFI as a Mutual Fund Distributor. Angel Broking Private Limited is a registered entity with SEBI for Research Analyst in terms of SEBI (Research Analyst) Regulations, 2014 vide registration number INH000000164. Angel or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities Market. Angel or its associates/analyst has not received any compensation / managed or co-managed public offering of securities of the company covered by Analyst during the past twelve months.

This document is solely for the personal information of the recipient, and must not be singularly used as the basis of any investment decision. Nothing in this document should be construed as investment or financial advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in the securities of the companies referred to in this document (including the merits and risks involved), and should consult their own advisors to determine the merits and risks of such an investment.

Reports based on technical and derivative analysis center on studying charts of a stock's price movement, outstanding positions and trading volume, as opposed to focusing on a company's fundamentals and, as such, may not match with a report on a company's fundamentals. Investors are advised to refer the Fundamental and Technical Research Reports available on our website to evaluate the contrary view, if any.

The information in this document has been printed on the basis of publicly available information, internal data and other reliable sources believed to be true, but we do not represent that it is accurate or complete and it should not be relied on as such, as this document is for general guidance only. Angel Broking Pvt. Limited or any of its affiliates/ group companies shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. Angel Broking Pvt. Limited has not independently verified all the information contained within this document. Accordingly, we cannot testify, nor make any representation or warranty, express or implied, to the accuracy, contents or data contained within this document. While Angel Broking Pvt. Limited endeavors to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so.

This document is being supplied to you solely for your information, and its contents, information or data may not be reproduced, redistributed or passed on, directly or indirectly.

Neither Angel Broking Pvt. Limited, nor its directors, employees or affiliates shall be liable for any loss or damage that may arise from or in connection with the use of this information.

Disclosure of Interest Statement	**Wipro**
1. Financial interest of research analyst or Angel or his Associate or his relative	No
2. Ownership of 1% or more of the stock by research analyst or Angel or associates or relatives	No
3. Served as an officer, director or employee of the company covered under Research	No
4. Broking relationship with company covered under Research	No

Ratings (Based on expected returns over 12 months investment period):	*Buy (> 15%)*	*Accumulate (5% to 15%)* *Reduce (-5% to -15%)*	*Neutral (-5 to 5%)* *Sell (< -15)*