

Wipro

Performance Highlights

(₹ cr)	1QFY16	4QFY15	% chg (qoq)	1QFY15	% chg (yoy)
Net revenue	12,238	12,142	0.8	11,271	8.6
EBITDA	2,606	2,791	(6.6)	2,592	0.5
EBITDA margin (%)	21.3	23.0	(167)bp	23.0	(171)bp
PAT	2,188	2,272	(3.7)	2,015	8.6

Source: Company, Angel Research

Wipro posted a 1.1% qoq growth in its USD IT Services revenue to US\$1,794.1mn V/s an expected US\$1,770mn. Thus, the results have come in at the upper end of the guidance. In Constant Currency (CC) terms, the company posted a 0.2% qoq growth in its top-line for 1QFY2016. The EBDITA margin came in at 21.3% V/s an expected 23.0%; the EBIT margin came in at 18.5% V/s an expected 20.0%. Thus, the EBDITA margin and EBIT margin have dipped by 167bp and 144bp qoq, respectively. Consequently, the PAT came in at ₹2,188cr V/s an expected ₹2,261cr and V/s ₹2,272cr in 4QFY2015, ie a dip of 3.7% qoq. For 2QFY2016, the company expects revenues from the IT Services business to be in the range of US\$1,821mn-US\$1,857mn, implying a 1.5-3.5% growth qoq. **We maintain our Buy rating on the stock with a target price of ₹719.**

Quarterly highlights: Wipro posted a 1.1% qoq growth in its USD IT Services revenue to US\$1,794.1mn V/s an expected US\$1,770mn. The EBDITA margin came in at 21.3% V/s an expected 23.0%; the EBIT margin came in at 18.5% V/s an expected 20.0%. Thus, the EBDITA margin and EBIT margin have dipped by 167bp and 144bp qoq. The IT services' EBIT margin came in at 21.0%. The margin dip was mainly on account of currency impact and wage hikes. On the operating front the utilization level was at 71.3% V/s 70.5% in the sequential previous quarter, while attrition for the quarter stood at 16.4%. Consequently, the PAT came in at ₹2,188cr V/s an expected ₹2,261cr and Vs ₹2,272cr in 4QFY2015, a dip of 3.7% qoq.

Outlook and valuation: The Management remains confident of the revenue growth pick-up sustaining, citing a pick-up in large deal closures and win rates, uptick in discretionary spending, strong business pipeline and momentum in demand from US sustaining. We expect USD and INR revenue CAGR for IT services to be at 10.0% and 11.8%, respectively, over FY2015-17E. **We recommend a Buy rating on the stock.**

Key financials (Consolidated, IFRS)

Y/E March (₹ cr)	FY2014	FY2015	FY2016E	FY2017E
Net sales	43,427	46,955	52,414	58,704
% chg	16.0	8.1	11.6	12.0
Net profit	7,797	8,653	9,483	10,449
% chg	17.5	11.0	9.6	10.2
EBITDA margin (%)	22.9	23.1	23.7	23.8
EPS (₹)	31.5	35.1	38.4	42.3
P/E (x)	17.7	15.8	14.5	13.2
P/BV (x)	4.0	3.4	2.8	2.6
RoE (%)	22.6	21.1	19.5	18.2
RoCE (%)	17.1	15.3	15.1	14.8
EV/Sales (x)	2.8	2.5	2.1	1.8
EV/EBITDA (x)	12.7	11.4	9.5	7.8

Source: Company, Angel Research; Note: CMP as of July 28, 2015

Please refer to important disclosures at the end of this report

BUY

CMP	₹557
Target Price	₹719

Investment Period	12 Months
-------------------	-----------

Stock Info

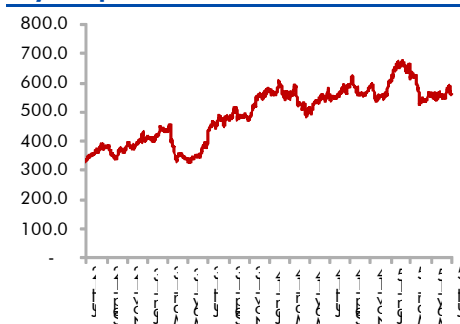
Sector	IT
Market Cap (₹ cr)	137,463
Net Debt (₹ cr)	(20,014)
Beta	0.6
52 Week High / Low	677/513
Avg. Daily Volume	106,989
Face Value (₹)	2
BSE Sensex	27,459
Nifty	8,337
Reuters Code	WIPR.BO
Bloomberg Code	WPRO@IN

Shareholding Pattern (%)

Promoters	73.4
MF / Banks / Indian Fls	7.5
FII / NRIs / OCBs	13.3
Indian Public / Others	5.8

Abs.(%)	3m	1yr	3yr
Sensex	0.2	5.6	63.1
Wipro	4.2	(0.3)	65.6

3-year price chart



Source: Company, Angel Research

Sarabjit kour Nangra

+91 22-39357800 Ext: 6806

sarabjit@angelbroking.com

Exhibit 1: 1QFY2016 performance (Consolidated, IFRS)

Y/E March (₹ cr)	1QFY16	4QFY15	% chg (qoq)	1QFY15	% chg (yoy)	FY2015	FY2014	% chg (yoy)
Net revenue	12,238	12,142	0.8	11,271	8.6	47,318	43,755	8.1
Cost of revenue	8,142	7,896	3.1	7,326	11.1	30,846	28,430	8.5
Gross profit	4,096	4,246	(3.5)	3,946	3.8	16,472	15,325	7.5
SGA expense	1,490	1,455	2.4	1,353	10.1	5,648	5,279	7.0
EBITDA	2,606	2,791	(6.6)	2,592	0.5	10,824	10,046	7.7
Dep. and amortisation	337	365	(7.7)	311	8.3	1,282	1,111	15.5
EBIT	2,269	2,426	(6.5)	2,281	(0.5)	9,542	8,935	6.8
Other income	529	486	8.8	352		1,626	1,165	39.6
PBT	2,798	2,912	(3.9)	2,633	6.2	11,168	10,101	10.6
Income tax	595	626	(5.0)	606	(1.9)	2,462	2,260	9.0
PAT	2,203	2,287	(3.6)	2,027	8.7	8,706	7,841	11.0
Minority interest	16	15		13		53	44	
Adj. PAT	2,188	2,272	(3.7)	2,015	8.6	8,653	7,797	11.0
Diluted EPS	8.8	9.2	(3.7)	8.2	7.9	35.0	31.5	11.0
Gross margin (%)	33.5	35.0	(150)bp	35.0	(154)bp	34.8	35.0	(21)bp
EBITDA margin (%)	21.3	23.0	(167)bp	23.0	(171)bp	22.9	23.0	(8)bp
EBIT margin (%)	18.5	20.0	(144)bp	20.2	(170)bp	20.2	20.4	(26)bp
PAT margin(%)	17.9	18.7	(84)bp	17.9	0bp	18.3	17.8	47bp

Source: Company, Angel Research

Exhibit 2: 1QFY2016 – Actual vs Angel estimates

(₹ cr)	Actual	Estimate	Variation (%)
Net revenue	12,238	11,688	4.7
EBIT margin (%)	18.5	19.5	(95.7)bp
PAT	2,188	2,261	(3.2)

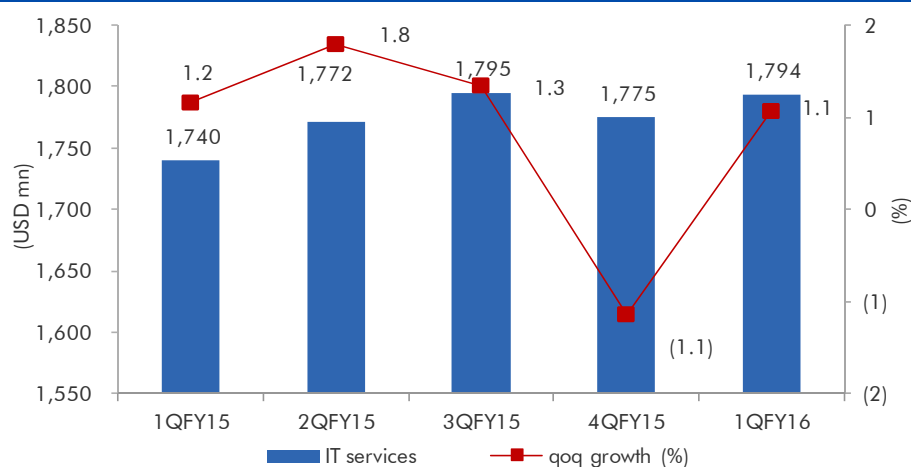
Source: Company, Angel Research

Better-than-expected results

The company posted a 1.1% qoq growth in IT Services revenue to US\$1,794.1mn V/s US\$1,775mn in 4QFY2015 and V/s an expected US\$1,770mn. The guidance for 1QFY2016 was US\$1,765-1,793mn, a (0.5)-1% qoq growth. Thus, the results have come at the upper end of the guidance. In rupee terms, the revenue came in at ₹12,238cr V/s an expected ₹12,207cr and V/s ₹12,142cr in 4QFY2015.

In CC terms, the company posted a 0.2% qoq revenue growth in 1QFY2016. On CC basis, the key verticals that posted a qoq dip were Healthcare, Life Sciences & Services, Global Media & Telecom, and Energy, Natural Resources & Utilities, which dipped by 3.9%, 1.8% and 3.0% respectively. The domains which posted growth were Retail, Consumer Goods & Transportation, Manufacturing & Hitech and Finance Solutions; these posted a growth of 4.5%, 2.1% and 1.3% qoq, respectively.

In terms of geographies, the USA posted a 2.6% qoq CC growth, while India & Middle East business and APAC & Other Emerging Markets posted a 1.7% qoq and 0.4% qoq CC growth, respectively. Europe dipped on CC basis, ie by 5.3% qoq.

Exhibit 3: Trend in IT Services revenue growth (qoq)


Source: Company, Angel Research

Industry wise, Wipro's Global Media & Telecom vertical de-grew by 1.8% qoq in CC terms. The revenue from the anchor industry vertical, Financial Solutions, grew by 1.3% qoq in CC terms. Revenue from Healthcare, Life Sciences & Services de-grew by 3.9% qoq in CC terms while that from Energy, Natural Resources & Utilities de-grew by 3.0% qoq in CC terms. Manufacturing and Hi-tech posted a 2.1% qoq growth in CC terms while Retail and Transportation posted a 4.5% qoq growth in CC terms.

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

	% to revenue	% growth (qoq)	% growth (yoy)
Global media and telecom	13.2	(1.8)	1.9
Financial solutions	26.8	1.3	7.5
Manufacturing and hi-tech	18.3	2.1	10.3
Healthcare, life sciences and services	11.2	(3.9)	10.3
Retail and transportation	15.0	4.5	14.7
Energy and utilities	15.2	(3.0)	5.0

Source: Company, Angel Research

Services wise, Wipro's anchor service line - Business Application Services (contributed 47.5% to revenue) and Technology Infrastructure Services (contributed 28.0% to revenue) – registered a rise in revenue of 0.1% and decline in revenue of 1.6% qoq, respectively. Analytics and information management (which contributed 7.5% of sales) grew by 5.8% qoq. Product engineering and mobility (which contributed 7.7% of sales) grew by 2.3% qoq. The services which posted a dip has been consulting, which dipped by 4.5% qoq.

Exhibit 5: Revenue growth (Service wise)

Service verticals	% to revenue	% growth (qoq)	% growth (yoy)
Technology infrastructure services	28.0	1.6	13.2
Analytics and information management	7.5	5.8	7.6
BPO	9.3	0.4	(1.1)
Product engineering and mobility	7.7	2.3	14.0
ADM	47.5	0.1	(3.3)
R&D business	10.3	2.0	11.5
Consulting	1.7	(4.5)	(11.3)

Source: Company, Angel Research

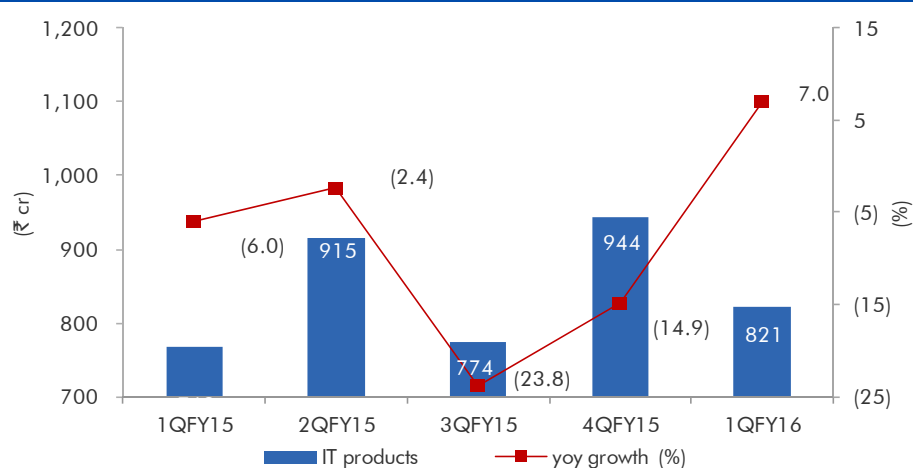
Geography wise, developed economies such as America and Europe grew by 2.6% and de-grew by 5.3% qoq in CC terms, respectively. India posted a 1.7% qoq growth during the period.

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

	% to revenue	% growth (qoq)	% growth (yoy)
America	52.5	2.6	9.9
Europe	25.6	(5.3)	(2.2)
India and Middle East	10.6	1.7	25.2
APAC and other emerging markets	11.3	0.4	13.3

Source: Company, Angel Research

The IT products segment reported a 7.0% yoy growth in its revenue to ₹821cr during the quarter.

Exhibit 7: IT products – Revenue growth (yoy)


Source: Company, Angel Research

Hiring and utilization

Wipro reported a net addition of 3,572 employees in its IT Services' employee base, which now stands at 161,789 headcounts. Voluntary attritions (annualized) in the global IT business increased considerably, and remained stagnant at 16.4%. The Management indicated that it has taken necessary steps to curtail attritions and expects them to decline going ahead. Also, the Management noted that the company is going measured in terms of hiring due to hyper automation process going on in the company in the run services, resulting in higher productivity. The utilization rate of the global IT business moved up by 80bp sequentially to 71.3%. Going ahead, an improvement in utilization level will be an important margin lever.

Exhibit 8: Employee pyramid

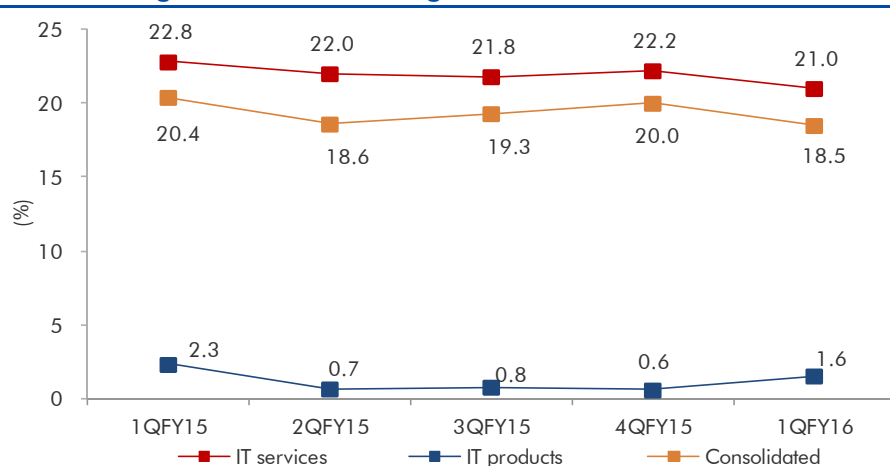
Employee pyramid	1QFY15	2QFY15	3QFY15	4QFY15	1QFY16
Utilization – Global IT (%)	68.7	70.0	68.5	70.5	71.3
Attrition (%)					
Global IT	17.0	16.9	16.5	16.5	16.4
BPO	11.8	12.0	13.1	13.3	12.0
Net additions	1,399	6,845	2,569	1,351	3,572

Source: Company, Angel Research

Margins dips

The EBDITA margin came in at 21.3% V/s an expected 23.0%; the EBIT margin came in at 18.5% V/s an expected 20.0%. Thus, the EBDITA and EBIT margins posted a dip of 167bp and 144bp qoq, respectively, during the quarter. The IT services' EBIT margin came in at 21.0%. The margin dip was mainly on back of currency impact and wage hikes.

Exhibit 9: Segment-wise EBIT margin trend



Source: Company, Angel Research

Client pyramid

Wipro added 36 new clients in 1QFY2016, with its active client base standing at 1071. The company's focus on account mining continues to yield results with top clients driving growth. Wipro continues to see good demand in the market place.

Exhibit 10: Client metrics

Particulars	1QFY15	2QFY15	3QFY15	4QFY15	1QFY16
US\$100mn plus	10	10	10	11	10
US\$75mn–\$100mn	4	5	6	4	4
US\$50mn–\$75mn	15	15	15	16	15
US\$20mn–\$50mn	55	55	53	55	55
US\$10mn–\$20mn	59	65	69	64	59
US\$5mn–\$10mn	81	75	73	81	81
US\$3mn–\$5mn	69	67	74	80	69
US\$1mn–\$3mn	218	232	226	231	218
New clients	35	50	44	65	36
Active customers	1,022	1,018	1,018	1,054	1071

Source: Company, Angel Research

Investment Highlights

Moderate outlook: For 2QFY2016, the company has given a revenue guidance of US\$1,821-1,857mn, implying a US\$ qoq growth of 1.5-3.5%. The Management remains confident of the revenue growth pick-up sustaining, citing a pick-up in large deal closures and win rates, uptick in discretionary spending, strong business pipeline and sustained momentum in demand from the US. We expect USD and INR revenue CAGR for IT services to be at 10.0% and 11.8%, respectively, over FY2015-17E.

Deal pipeline looks robust: The company sees itself better placed than this time last year to latch on to opportunities in the market and remains focused on improving traction from its top 125 clients. As per the company, it is seeing a broad based pick up in discretionary spending across verticals in the US, which should help drive a better performance in the geography. In addition, the company remains confident of its growth prospects with increased penetration in Europe. Wipro has chosen a growth strategy of focusing on a selected few segments in terms of industry verticals and services. Wipro is now better positioned than it was three years ago to capture upsides from overall market improvement and can reduce the gap in revenue growth with its peers.

Further, the company has bought the information technology (IT) services business of the Canadian logistics and utilities firm, Atco, for US\$195mn. The deal, which comes less than a year since Wipro bought US-based Opus Capital Markets Consultants Llc for US\$75mn, is one of the company's largest acquisitions in recent years, and comes bundled with a 10-year, US\$1.1bn outsourcing contract with Atco. The outsourcing contract—one of the largest ever for Wipro—is expected to result in annual revenue of about US\$112mn.

Outlook and valuation

Wipro has been showing a decent performance in the past couple of quarters by rationalizing costs. We have factored in a FY2015-17E EBIT margin at 19.9% considering that most headwinds are already behind for Wipro and hence believe that this can be achieved if the company improves its operational efficiency. The stock is currently trading at 14.5x FY2016E and 13.2x FY2017E EPS, ie at a discount to its peers. **We recommend a Buy on the stock with a target price of ₹719.**

Exhibit 11: Key assumptions

	FY2016E	FY2017E
Revenue growth – IT services (USD)	8.0	12.0
USD-INR rate (realized)	62.5	62.5
Revenue growth – Consolidated (₹)	11.6	12.0
EBITDA margin (%)	23.7	23.8
Tax rate (%)	22.0	22.0
EPS growth (%)	9.6	10.2

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 (%)	FY2017E EBITDA (%)	FY2017E P/E (x)	FY2015-17E EPS CAGR (%)	FY2017E EV/Sales (x)	FY2017E RoE (%)
HCL Tech	Buy	923	1,100	19.2	23.4	15.1	11.7	2.6	17.7
Infosys	Buy	1,064	1,360	22.8	28.0	16.7	9.2	2.9	19.7
TCS	Buy	2,502	3,168	26.7	28.7	17.4	13.9	3.6	41.8
Tech Mahindra	Buy	522	646	23.7	18.4	13.7	17.9	1.3	20.9
Wipro	Buy	557	719	29.2	23.8	13.2	9.7	1.8	18.2

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 1,58,000 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)	FY2013	FY2014	FY2015	FY2016E	FY2017E
Net revenue	37,426	43,427	46,955	52,414	58,704
Cost of revenues	26,067	29,549	30,846	35,642	39,919
Gross profit	11,359	13,878	16,108	16,773	18,785
% of net sales	30.4	32.0	34.3	32.0	32.0
Selling and mktg exp.	2,421	2,925	3,063	3,512	3,933
% of net sales	6.5	6.7	6.5	6.7	6.7
General and admin exp.	2,203	2,354	2,585	2,830	3,170
% of net sales	5.9	5.4	5.5	5.4	5.4
Depreciation and amortization	1,084	1,111	1,282	1,363	1,526
% of net sales	2.9	2.6	2.7	2.6	2.6
EBIT	6,735	8,600	9,179	10,430	11,682
% of net sales	18.0	19.8	19.5	19.9	19.9
Other income, net	1,626	1,501	1,990	1,808	1,808
Share in profits of eq. acc. ass.	0	0	0	0	0
Profit before tax	8,360	10,101	11,168	12,238	13,490
Provision for tax	1,691	2,260	2,462	2,692	2,968
% of PBT	20.2	22.4	22.0	22.0	22.0
PAT	6,669	7,840	8,706	9,546	10,522
Share in earnings of associate	-	-	-	-	-
Minority interest	34	44	53	63	73
Adj. PAT	6,636	7,797	8,653	9,483	10,449
Diluted EPS (₹)	26.8	31.5	35.1	38.4	42.3

Balance sheet (Consolidated, IFRS)

Y/E March (₹ cr)	FY2013	FY2014	FY2015	FY2016E	FY2017E
Assets					
Goodwill	5,476	6,342	6,808	6,877	6,234
Intangible assets	171	194	793	793	793
Property, plant & equipment	5,053	5,145	5,421	5,721	6,021
Investment in equ. acc. investees	-	268	387	387	387
Derivative assets	5	29	74	74	74
Non-current tax assets	1,031	1,019	1,141	1,141	1,141
Deferred tax assets	424	336	295	295	295
Other non-current assets	1,074	1,430	1,437	1,430	1,430
Total non-current assets	13,233	14,762	16,354	16,716	16,373
Inventories	326	229	485	480	480
Trade receivables	7,664	8,539	9,153	10,216	11,441
Other current assets	3,107	3,947	7,336	7,336	7,336
Unbilled revenues	3,199	3,933	4,234	4,234	4,234
Available for sale investments	6,917	6,056	5,391	5,391	5,391
Current tax assets	741	977	649	900	900
Derivative assets	303	366	508	508	508
Cash and cash equivalents	8,484	11,420	15,894	23,263	32,256
Total current assets	30,740	35,469	43,649	52,327	62,545
Total assets	43,973	50,230	60,003	69,043	78,918
Equity					
Share capital	493	493	493	493	493
Share premium	1,176	1,266	1,403	1,403	1,403
Retained earnings	25,918	31,495	37,225	44,972	53,686
Share based payment reserve	132	102	131	102	102
Other components of equity	717	1,047	1,545	1,545	1,545
Shares held by controlled trust	(54)	(54)	-	-	-
Equity attrib. to shareholders of Co.	28,381	34,350	40,789	48,515	57,229
Minority interest	117	139	165	165	165
Total equity	28,498	34,489	40,954	48,680	57,394
Liabilities					
Long term loans and borrowings	85	1,091	1,271	1,271	1,271
Deferred tax liability	85	180	324	324	324
Derivative liabilities	12	63	16	16	16
Non-current tax liability	479	345	670	670	670
Other non-current liabilities	339	417	366	366	366
Provisions	1	1	1	1	1
Total non-current liabilities	1,001	2,096	2,647	2,647	2,647
Loans and bank overdraft	6,296	4,068	6,621	6,621	6,621
Trade payables	4,807	5,226	5,875	6,914	7,744
Unearned revenues	1,035	1,277	1,655	1,655	1,877
Current tax liabilities	1,023	1,248	804	1,077	1,187
Derivative liabilities	98	250	75	75	75
Other current liabilities	1,099	1,439	1,222	1,222	1,222
Provisions	117	137	152	152	152
Total current liabilities	14,474	13,646	16,403	17,716	18,878
Total liabilities	15,475	15,742	19,050	20,363	21,525
Total equity and liabilities	43,973	50,230	60,003	69,043	78,918

Cash flow statement (Consolidated, IFRS)

Y/E March (₹ cr)	FY2013	FY2014	FY2015	FY2016E	FY2017E
Pre tax profit from operations	6,974	8,935	11,168	12,238	13,490
Depreciation	1,237	1,111	1,282	1,363	1,526
Expenses (deferred)/written off	(10)	(13)	(13)	(13)	(13)
Pre tax cash from operations	8,201	10,033	12,438	13,588	15,004
Other income/prior period ad	1,001	1,165	1,990	1,808	1,808
Net cash from operations	9,202	11,198	14,428	15,396	16,812
Tax	(1,835)	(2,260)	(2,462)	(2,692)	(2,968)
Cash profits	7,367	8,938	11,965	12,704	13,844
(Inc)/dec in current assets	47	(2,653)	(8,181)	(8,678)	(10,218)
Inc/(dec) in current liab.	2,706	(828)	2,757	1,313	1,162
Net trade working capital	2,752	(3,482)	(5,423)	(7,364)	(9,057)
Cashflow from oper. actv.	10,119	5,456	6,542	5,340	4,787
(Inc)/dec in fixed assets	(391)	(1,203)	(276)	(300)	(300)
(Inc)/dec in intangibles	1,570	(889)	(600)	-	-
(Inc)/dec in investments	(2,398)	594	(119)	-	-
(Inc)/dec in net def. tax assets	(164)	87	-	-	-
(Inc)/dec in derivative assets	341	(24)	-	-	-
(Inc)/dec in non-current tax asset	(2)	12	7	(7)	-
(Inc)/dec in minority interest	32	22	9	10	10
Inc/(dec) in other non-current liab	(49)	90	273	-	-
(Inc)/dec in other non-current ast.	104	(122)	(122)	-	-
Cashflow from investing activities	(957)	(1,667)	(826)	(297)	(290)
Inc/(dec) in debt	(2,166)	1,006	180	-	-
Inc/(dec) in equity/premium	(4,544)	(123)	314	4,089	5,512
Dividends	(1,736)	(1,736)	(1,736)	(1,762)	(1,017)
Cashflow from financing activities	(8,446)	(853)	(1,242)	2,327	4,495
Cash generated/(utilized)	717	2,936	4,474	7,369	8,992
Cash at start of the year	7,767	8,484	11,420	15,894	23,263
Cash at end of the year	8,484	11,420	15,894	23,263	32,256

Key Ratios

Y/E March	FY2013	FY2014	FY2015	FY2016E	FY2017E
Valuation ratio(x)					
P/E (on FDEPS)	20.7	17.7	15.8	14.5	13.2
P/CEPS	10.3	8.4	7.7	6.9	6.2
P/BVPS	4.8	4.0	3.4	2.8	2.5
Dividend yield (%)	1.1	1.1	1.1	1.1	0.6
EV/Sales	3.3	2.8	2.5	2.1	1.8
EV/EBITDA	15.9	12.7	11.4	9.5	7.8
EV/Total assets	2.8	2.5	2.0	1.6	1.3
Per share data (₹)					
EPS (Fully diluted)	26.8	31.5	35.1	38.4	42.3
Cash EPS	54.1	66.3	72.1	80.5	89.5
Dividend	6.0	6.0	6.0	6.1	3.5
Book value	115.3	139.5	165.7	196.8	220.0
DuPont analysis					
Tax retention ratio (PAT/PBT)	0.8	0.8	0.8	0.8	0.8
Cost of debt (PBT/EBIT)	7.7	9.1	8.7	9.0	8.8
EBIT margin (EBIT/Sales)	0.0	0.0	0.0	0.0	0.0
Asset turnover ratio (Sales/Assets)	0.9	0.9	0.8	0.8	0.7
Leverage ratio (Assets/Equity)	1.5	1.5	1.5	1.4	1.4
Operating ROE	23.5	22.8	21.3	19.7	18.3
Return ratios (%)					
RoCE (pre-tax)	15.3	17.1	15.3	15.1	14.8
Angel RoIC	29.2	32.6	28.8	31.1	32.7
RoE	23.3	22.6	21.1	19.5	18.0
Turnover ratios (x)					
Asset turnover(fixed assets)	0.9	0.9	0.9	0.8	0.8
Receivables days	77	68	69	69	70
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 MCX 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 including its relatives/analyst do not hold any financial interest/beneficial ownership of more than 1% in the company covered by Analyst. 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. Angel/analyst has not served as an officer, director or employee of company covered by Analyst and has not been engaged in market making activity of the company covered by Analyst.

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.

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.

Note: Please refer to the important 'Stock Holding Disclosure' report on the Angel website (Research Section). Also, please refer to the latest update on respective stocks for the disclosure status in respect of those stocks. Angel Broking Pvt. Limited and its affiliates may have investment positions in the stocks recommended in this report.

Disclosure of Interest Statement

1. Analyst ownership of the stock
2. Angel and its Group companies ownership of the stock
3. Angel and its Group companies' Directors ownership of the stock
4. Broking relationship with company covered

Wipro

No
No
No
No

Note: We have not considered any Exposure below ₹1 lakh for Angel, its Group companies and Directors

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)