CMP	:	INR 260
Reco	:	HOLD ↔
Target Price	:	INR 285 ↑
Target Price Change	:	4%
Target FY27 P/E (x)	:	21
EPS Change FY26/ 27	:	No Change

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Market data

Sensex	:	82,259
Sector	:	IT
Market Cap (INR bn)	:	2,731.8
Market Cap (USD bn)	:	31.736
O/S Shares (mn)	:	10,482.7
52-wk HI/LO (INR)	:	325/225
Avg. Daily Vol ('000)	:	10,858
Bloomberg	:	WPRO IN

Source: Bloomberg

Valuation

	FY25	FY26e	FY27e
EPS (INR)	12.5	12.9	13.6
P/E (x)	20.6	19.9	18.9
P/BV (x)	3.3	3.0	2.9
EV/EBITDA (x)	14.1	14.0	13.0
Dividend Yield (%)	2.3	5.0	5.8

Source: Company, Antique

Returns (%)

	1m	3m	6m	12m
Absolute	(1)	10	(8)	(7)
Relative	(2)	5	(14)	(8)

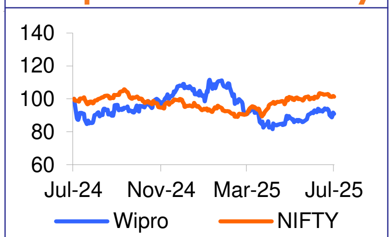
Source: Company, Antique

Shareholding pattern

Promoters	:	73%
Public	:	27%
Others	:	0%

Source: Bloomberg

Price performance *vs* Nifty



Source: Bloomberg, Indexed to 100

1QFY26 RESULT REVIEW

Wipro

Strong bookings lift near-term revenue outlook

Wipro posted IT services revenue of USD 2,587 mn for 1QFY26, registering a decline of 2.0% QoQ in CC terms, marginally ahead of our estimate. However, the big surprise was on the large deal win number came in at USD 2.7 bn, which was way ahead of our estimate of USD 1.3 bn. The large deal wins were a result of the company witnessing a strong deal momentum in Americas and two of which were mega deals. Total bookings came in at USD 5 bn, up by 51% YoY in CC terms. In addition, one large deal in the technology space has the potential to become a mega deal. Clients continue to prioritize efficiency and cost optimization; most large deals were vendor consolidation and cost take-out. For 1QFY26, Wipro provided a cautious revenue guidance of -1% to +1% sequential growth in CC terms, in line with our expectation. America continues to remain strong with broad-based growth across sectors. Although pick-up in large deals will improve the momentum in 2HFY26, initial ramp-up cost will keep pressure on margins. We increase our growth outlook for Wipro leading to 2%/ 3% increase in FY26/ 27 revenue, while the drop in margins keeping EPS largely unchanged. We maintain HOLD rating while we increase the TP to INR 285 (from INR 275), as we marginally increase the valuation multiple to 21x (from 20x) on improving revenue growth outlook.

1QFY26 result highlights

Wipro reported 1QFY26 IT services revenue of USD 2,587.4 mn, down 2% QoQ in CC terms, marginally higher than our estimate. IT services EBIT margin declined 20 bps QoQ to 17.3%, which is in line with our expectation. For 2QFY26, the company expects IT services business to grow sequentially between -1% and +1% in CC terms, in line with our expectation. Margin levers going forward includes productivity improvement, optimization across G&A, acquired entities, pyramid management, and AI-driven efficiencies, while it will remain under pressure owing to upfront investments for ramping up large deals and competitive pricing. The Capco business continued to grow strongly, achieving 6% YoY growth. Among verticals, growth was dragged by BFSI (down 3.8% QoQ in CC), followed by Consumer (down 4%), EM&R (down 0.7%), partially offset by Tech & Comm (up 0.4%) and Health (up 0.5%). Among geographies, Americas 1 and APMEA grew marginally by 0.2% and 0.6% QoQ in CC terms, while Americas 2 and Europe were down 1.7% and 6.4% respectively. Headcount declined marginally by 0.1% QoQ to 233,232 with net utilization increased by 40 bps QoQ to 85% and TTM attrition remained flat at 15.1%. During the quarter offshore revenue decreased by 230 bps sequentially to 59.8% (62.1% in 4Q).

Investment Summary

Wipro's revenue growth has underperformed its large peers due to a higher decline in its discretionary portfolio over the past few years. However, the strong 1QFY26 and 4QFY25 deal momentum has improved the revenue outlook for the company. We increase our growth outlook for Wipro leading to 2%/ 3% increase in FY26/ 27 revenue, while the drop in margins keeping the EPS largely unchanged. We maintain HOLD rating while we increase the TP to INR 285 (from INR 275), as we marginally increase the valuation multiple to 21x (from 20x) on improving revenue growth outlook.

Table 1: Financial summary

INR mn	1QFY26	4QFY25	QoQ	1QFY25	YoY	FY23	FY24	FY25	FY26e	FY27e
IT services revenues (USD mn)	2,587	2,597	-0.4%	2625.9	-1.5%	11,234	10,805	10,512	10,545	11,246
IT services revenues	2,20,800	2,24,453	-1.6%	2,18,963	0.8%	9,03,301	8,93,816	8,88,224	9,00,956	9,61,208
Consolidated revenues	2,21,346	2,25,042	-1.6%	2,19,638	0.8%	9,04,876	8,97,603	8,90,884	9,03,140	9,63,520
IT services EBIT	38,134	39,270	-2.9%	36,057	5.8%	1,40,783	1,44,196	1,51,639	1,60,915	1,69,838
IT services EBIT Margins	17.3%	17.5%	-23 bps	16.5%	80 bps	15.6%	16.1%	17.1%	17.9%	17.7%
Consolidated PAT	33,304	35,696	-6.7%	29,911	11.3%	1,13,500	1,10,452	1,31,233	1,33,062	1,39,048
EPS	3.2	3.4	-6.4%	2.9	11.1%	10.3	10.4	12.5	12.9	13.6

Source: Company, Antique

Table 2: Key metrics

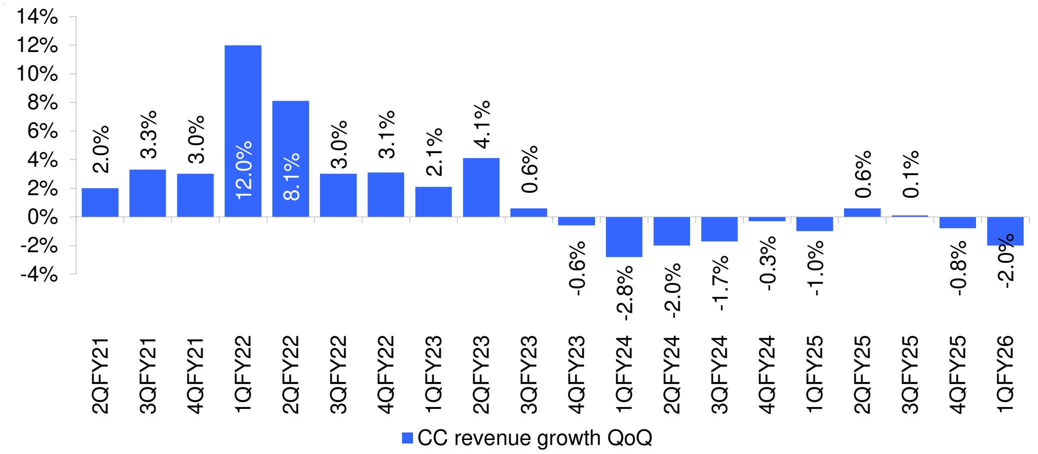
	Q124	Q224	Q324	Q424	Q125	Q225	Q325	Q425	1Q26
Revenue (USD mn)	**2,778.5**	**2,713.0**	**2,656.1**	**2,657.4**	**2,625.9**	**2,660.1**	**2,629.0**	**2,596.5**	**2,587.4**
QoQ growth (%)	(2.1)	(2.4)	(2.1)	0.1	(1.2)	1.3	(1.2)	(1.2)	(0.4)
QoQ cc growth (%)	(2.8)	(2.0)	(1.7)	(0.3)	(1.0)	0.6	0.1	(0.8)	(2.0)
YoY growth (%)	0.8	(3.7)	(5.9)	(6.4)	(5.5)	(1.9)	(1.0)	(2.3)	(1.5)
EBIT Margin (%) - IT services	16.0	16.1	16.0	16.4	16.5	16.8	17.5	17.5	17.3
Geography-wise (%)									
Americas 1	28.8	29.8	31.0	30.4	30.9	30.8	32.3	32.8	33.1
Americas 2	30.0	29.9	30.0	30.7	30.8	30.6	30.6	30.6	30.4
Europe	29.5	28.6	27.7	27.8	27.6	27.9	26.7	26.1	25.7
APMEA	11.7	11.7	11.3	11.1	10.7	10.7	10.4	10.5	10.8
Geography-wise QoQ growth (%)									
Americas 1	(1.1)	1.0	(2.1)	0.1	0.4	1.0	3.6	0.3	0.6
Americas 2	(3.8)	(2.7)	(2.1)	0.1	(0.9)	0.6	(1.2)	(1.2)	(1.0)
Europe	(1.5)	(5.3)	(2.1)	0.1	(1.9)	2.4	(5.4)	(3.5)	(1.9)
APMEA	(2.1)	(2.4)	(5.4)	(1.7)	(4.7)	1.3	(3.9)	(0.3)	2.5
Vertical break up (%)									
Technology & Communications	15.9	16.4	16.1	15.2	15.3	15.4	15.3	15.2	15.5
Consumer	18.7	18.7	18.8	18.7	19.2	19.2	19.0	18.9	18.6
Energy, Manufacturing & Resources	19.3	18.6	18.5	18.5	17.6	17.0	16.9	17.3	17.7
BFSI	33.9	33.6	32.7	33.5	34	34.8	34.1	34.2	33.6
Health	12.2	12.7	13.9	14.1	13.9	13.6	14.7	14.4	14.6
Revenue by Vertical									
Technology & Communications	441.8	444.9	427.6	403.9	401.8	409.7	402.2	394.7	401.0
Consumer	519.6	507.3	499.3	496.9	504.2	510.7	499.5	490.7	481.3
Energy, Manufacturing & Resources	536.3	504.6	491.4	491.6	462.2	452.2	444.3	449.2	458.0
BFSI	941.9	911.6	868.5	890.2	892.8	925.7	896.5	888.0	869.4
Health	339.0	344.6	369.2	374.7	365.0	361.8	386.5	373.9	377.8
Vertical break up QoQ growth (%)									
Technology & Communications	n/a	0.7	(3.9)	(5.5)	(0.5)	2.0	(1.8)	(1.9)	1.6
Consumer	(3.2)	(2.4)	(1.6)	(0.5)	1.5	1.3	(2.2)	(1.8)	(1.9)
Energy, Manufacturing & Resources	n/a	(5.9)	(2.6)	0.0	(6.0)	(2.2)	(1.8)	1.1	2.0
BFSI	(3.6)	(3.2)	(4.7)	2.5	0.3	3.7	(3.2)	(0.9)	(2.1)
Health	(1.3)	1.6	7.2	1.5	(2.6)	(0.9)	6.8	(3.3)	1.0
Client composition (%)									
Top customer	3.1	3.0	3.0	3.8	4.0	4.1	4.5	4.4	4.7
Top 5	12.5	12.3	12.1	13.4	13.6	14.0	14.3	14.5	14.7
Top 10	20.5	20.6	20.5	22.0	22.5	22.9	23.7	24.2	24.5

Table 2: Key metrics (continue...)

	Q124	Q224	Q324	Q424	Q125	Q225	Q325	Q425	1Q26
Client data									
USD 100m +	21	22	22	22	22	21	18	17	16
USD 75m +	28	28	31	32	29	30	30	28	27
USD 50m+	51	51	46	45	43	42	42	44	47
USD 20m+	123	122	121	116	117	117	112	111	109
USD 10m+	207	207	203	205	192	186	187	181	180
USD 5m+	319	313	305	301	301	297	290	289	281
USD 3m+	444	437	430	409	407	411	403	398	397
USD 1m+	769	774	750	741	735	733	722	716	725
Deal wins									
Large deal TCV (USD bn)	1.2	1.3	0.9	1.2	1.2	1.5	1.0	1.8	2.7
Total Bookings (USD bn)	3.7	3.8	3.8	3.6	3.3	3.6	3.5	4.0	5.0
Utilization (%)									
Net Utilization (Excluding Trainees)	83.7	84.5	84.0	84.8	87.7	86.4	83.5	84.6	85.0
Employee Metrics									
Total employees (nos)	2,49,758	2,44,707	2,40,234	2,34,054	2,32,911	2,33,889	2,32,732	2,33,346	2,33,232
Net addition (nos)	(8,812)	(5,051)	(4,473)	(6,180)	(1,143)	978	(1,157)	614	(114)
Attrition %	17.3	15.5	14.2	14.2	14.1	14.5	15.3	15.0	15.1

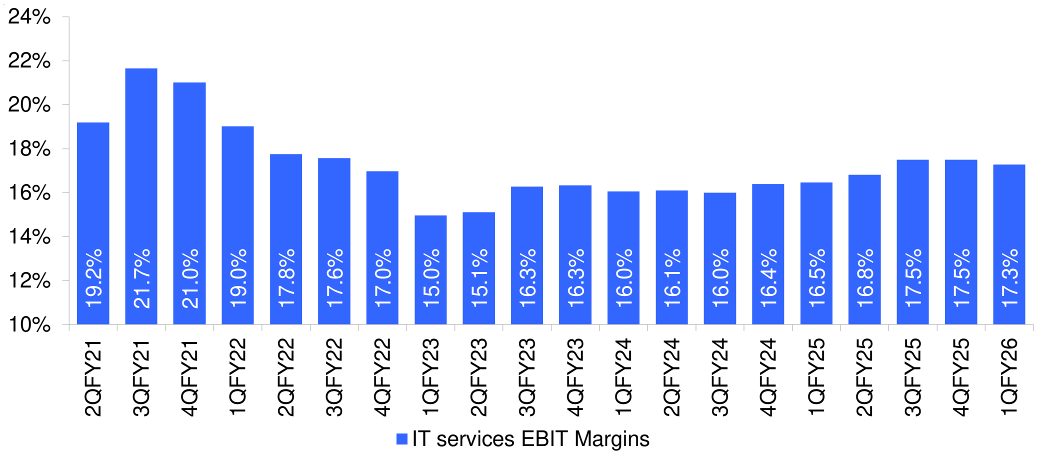
Source: Company, Antique

Exhibit 1: Revenue declined 2% QoQ in CC terms, marginally ahead of our expectation



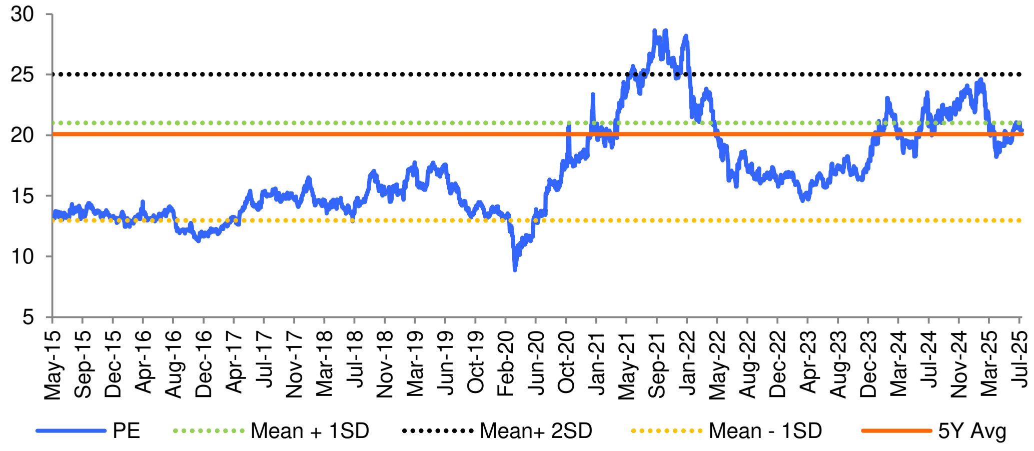
Source: Company, Antique

Exhibit 2: IT services EBIT margin declined 20 bps QoQ to 17.3%



Source: Company, Antique

Exhibit 3: Wipro is trading at 20.4x forward PE, near its long-term average



Source: Bloomberg, Antique

Table 3: Change in estimates

	Old		New		Change	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue	8,88,327	9,35,476	9,03,140	9,63,520	1.7%	3.0%
EBIT	1,53,624	1,58,991	1,49,970	1,58,283	-2.4%	-0.4%
PAT	1,33,739	1,40,015	1,33,062	1,39,048	-0.5%	-0.7%
EPS	13.0	13.7	12.9	13.6	-0.4%	-0.7%
EBIT Margin	17.3%	17.0%	16.6%	16.4%	-0.7%	-0.6%
PAT Margin	15.1%	15.0%	14.7%	14.4%	-0.3%	-0.5%

Source: Company, Antique

Financials

Profit and loss account (INR mn)

Year-ended March 31	FY23	FY24	FY25	FY26e	FY27e
Net Revenue	**9,04,876**	**8,97,603**	**8,90,884**	**9,03,140**	**9,63,520**
Op. Expenses	7,36,340	7,27,773	7,10,066	7,25,200	7,75,397
EBITDA	**1,68,536**	**1,69,830**	**1,80,818**	**1,77,940**	**1,88,123**
Depreciation	33,402	34,071	29,579	27,970	29,840
EBIT	**1,35,134**	**1,35,759**	**1,51,239**	**1,49,970**	**1,58,283**
Other income	22,657	24,236	38,113	39,025	40,240
Interest Exp.	10,077	12,552	14,770	13,208	12,800
Reported PBT	**1,47,714**	**1,47,443**	**1,74,582**	**1,75,788**	**1,85,723**
Tax	33,992	36,089	42,777	42,532	46,431
Reported PAT	**1,13,722**	**1,11,354**	**1,31,805**	**1,33,256**	**1,39,292**
Minority Int./Profit (loss) From Asso.	18	669	826	244	244
Net Profit	**1,13,704**	**1,10,685**	**1,30,979**	**1,33,012**	**1,39,048**
Adjusted PAT	**1,13,704**	**1,10,685**	**1,30,979**	**1,33,012**	**1,39,048**
Adjusted EPS (INR)	**10.3**	**10.4**	**12.5**	**12.9**	**13.6**

Balance sheet (INR mn)

Year-ended March 31	FY23	FY24	FY25	FY26e	FY27e
Share Capital	10,976	10,450	20,944	20,944	20,944
Reserves & Surplus	7,70,777	7,40,773	8,09,503	8,48,923	8,79,922
Networth	**7,81,753**	**7,51,223**	**8,30,447**	**8,69,867**	**9,00,866**
Debt	1,50,093	1,41,466	1,61,817	1,61,817	1,61,817
Minority Interest	5	5	5	5	5
Net deferrei Tax liabilities	(2,100)	(1,817)	(2,561)	(2,561)	(2,561)
Capital Employed	**9,29,751**	**8,90,877**	**9,89,708**	**10,29,128**	**10,60,127**
Net Fixed Assets	**1,31,704**	**1,14,356**	**1,08,134**	**1,11,774**	**1,15,657**
Goodwill	3,07,970	3,16,002	3,25,014	3,25,014	3,25,014
Investments	3,30,732	3,33,844	4,39,259	4,39,259	4,39,259
Non Current Investments	21,500	22,673	27,785	27,785	27,785
Current Investments	3,09,232	3,11,171	4,11,474	4,11,474	4,11,474
Current Assets, Loans & Adv.	**4,03,297**	**3,86,438**	**4,11,552**	**4,76,691**	**5,19,087**
Inventory	1,188	907	694	704	751
Debtors	1,86,865	1,73,822	1,82,025	1,88,051	2,00,623
Cash & Bank balance	91,861	96,951	1,21,974	1,81,078	2,10,854
Loans & advances and others	1,23,383	1,14,758	1,06,859	1,06,859	1,06,859
Current Liabilities & Provisions	**2,43,976**	**2,59,770**	**2,94,256**	**3,23,616**	**3,38,896**
Liabilities	2,41,427	2,57,799	2,92,619	3,21,979	3,37,259
Provisions	2,549	1,971	1,637	1,637	1,637
Net Current Assets	**1,59,321**	**1,26,668**	**1,17,296**	**1,53,076**	**1,80,192**
Application of Funds	**9,29,751**	**8,90,877**	**9,89,708**	**10,29,128**	**10,60,127**

Per share data

Year-ended March 31	FY23	FY24	FY25	FY26e	FY27e
No. of shares (mn)	10,952	10,578	10,448	10,273	10,207
DilutEI no. of shares (mn)	10,973	10,656	10,482	10,278	10,207
BVPS (INR)	71.2	70.5	79.2	84.6	88.3
CEPS (INR)	13.4	13.6	15.4	15.7	16.6
DPS (INR)	8.0	1.0	6.0	13.0	15.0

Source: Company, Antique

Cash flow statement (INR mn)

Year-ended March 31	FY23	FY24	FY25	FY26e	FY27e
PBT	**1,47,714**	**1,47,443**	**1,74,582**	**1,75,788**	**1,85,723**
Depreciation & amortization	33,402	34,071	29,579	27,970	29,840
(Inc)/Dec in working capital	(14,556)	18,051	10,598	23,324	2,660
Tax paid	(30,218)	(15,360)	(26,175)	(42,532)	(46,431)
Other operating Cash Flow	(5,741)	(7,989)	(19,158)	(194)	(244)
CF from operating activities	**1,30,601**	**1,76,216**	**1,69,426**	**1,84,356**	**1,71,549**
Capital expenditure	(14,834)	(10,510)	(14,737)	(31,610)	(33,723)
CF from investing activities	**(84,065)**	**11,680**	**(80,730)**	**(31,610)**	**(33,723)**
Dividend Paid	(32,814)	(5,218)	(62,750)	(93,642)	(1,08,049)
Others	(11,495)	(1,56,849)	(10,474)	-	-
CF from financing activities	**(60,881)**	**(1,82,567)**	**(63,963)**	**(93,642)**	**(1,08,049)**
Net cash flow	**(14,345)**	**5,329**	**24,733**	**59,104**	**29,777**
Opening balance	1,03,833	91,861	96,951	1,21,974	1,81,078
Closing balance	**91,861**	**96,951**	**1,21,974**	**1,81,078**	**2,10,854**

Growth indicators (%)

Year-ended March 31	FY23	FY24	FY25	FY26e	FY27e
Revenue	14.4	(0.8)	(0.7)	1.4	6.7
EBITDA	2.4	0.8	6.5	(1.6)	5.7
Adj PAT	(7.0)	(2.7)	18.3	1.6	4.5
Adj EPS	(7.0)	0.2	20.8	3.4	5.2

Valuation (x)

Year-ended March 31	FY23	FY24	FY25	FY26e	FY27e
P/E (x)	24.9	24.9	20.6	19.9	18.9
P/BV (x)	3.6	3.7	3.3	3.0	2.9
EV/EBITDA (x)	15.8	15.6	14.1	14.0	13.0
EV/Sales (x)	2.9	2.9	2.9	2.7	2.5
Dividend Yield (%)	3.1	0.4	2.3	5.0	5.8

Financial ratios

Year-ended March 31	FY23	FY24	FY25	FY26e	FY27e
RoE (%)	15.8	14.4	16.6	15.6	15.7
RoCE (%)	18.2	17.6	20.1	18.7	19.0
Asset/T.O (x)	3.1	3.4	3.8	3.7	3.4
Net Debt/Equity (x)	(0.3)	(0.4)	(0.4)	(0.5)	(0.5)
EBIT/Interest (x)	15.7	12.7	12.8	14.3	15.5

Margins (%)

Year-ended March 31	FY23	FY24	FY25	FY26e	FY27e
EBITDA Margin (%)	18.6	18.9	20.3	19.7	19.5
EBIT Margin (%)	14.9	15.1	17.0	16.6	16.4
PAT Margin (%)	12.3	12.0	14.1	14.1	13.9

Source: Company Antique