

# HSIE Results Daily

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- **Wipro:** Wipro's Q4 performance stayed weak, with IT services revenue up just +0.2% QoQ CC (missing estimates), while Q1FY27E guidance of -2% to 0% QoQ CC revenue growth fell short of expectations despite strong deal wins. The revenue softness is due to Americas 2 (BFSI) weakness, delayed large deal ramp-ups, and a persistent client-specific issue. For FY26, revenue declined 1.6% YoY CC, marking the third straight year of contraction, though total TCV rose +14% YoY CC to USD 16.5bn (large deal TCV +45.4% YoY CC to USD 7.8bn). IT services operating margin dipped 30bps QoQ to 17.3% due to salary hikes and DTS Harman integration costs, but full-year margins edged up 15bps to 17.2%; margins should hold steady despite wage pressures, large deal ramp-up costs, and investments in the new AI-Native business unit. Demand remains stable in Cloud, Data, and AI amid client focus on cost optimization and vendor consolidation, but discretionary spending lags due to geopolitical and macro uncertainty. The record INR 150bn buyback at INR 250/share offers some relief. We have trimmed EPS estimates by 3% and 2% for FY27E and FY28E to capture near-term revenue softness, while maintaining ADD with an INR215 TP based on 15x Mar-28E EPS.

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# Wipro

## Weak guidance despite strong wins

Wipro's Q4 performance stayed weak, with IT services revenue up just +0.2% QoQ CC (missing estimates), while Q1FY27E guidance of -2% to 0% QoQ CC revenue growth fell short of expectations despite strong deal wins. The revenue softness is due to Americas 2 (BFSI) weakness, delayed large deal ramp-ups, and a persistent client-specific issue. For FY26, revenue declined 1.6% YoY CC, marking the third straight year of contraction, though total TCV rose +14% YoY CC to USD 16.5bn (large deal TCV +45.4% YoY CC to USD 7.8bn). IT services operating margin dipped 30bps QoQ to 17.3% due to salary hikes and DTS Harman integration costs, but full-year margins edged up 15bps to 17.2%; margins should hold steady despite wage pressures, large deal ramp-up costs, and investments in the new AI-Native business unit. Demand remains stable in Cloud, Data, and AI amid client focus on cost optimization and vendor consolidation, but discretionary spending lags due to geopolitical and macro uncertainty. The record INR 150bn buyback at INR 250/share offers some relief. We have trimmed EPS estimates by 3% and 2% for FY27E and FY28E to capture near-term revenue softness, while maintaining ADD with an INR215 TP based on 15x Mar-28E EPS.

- Q4FY26 highlights:** (1) WPRO's IT services revenue came at USD 2.65bn (vs HSIE USD 2.66bn), up +0.2 % QoQ CC. (2) Technology and Communications led the growth (+5.3% QoQ CC), while Consumer grew +1.7% QoQ CC, and energy, mfg & resources grew +1.1% QoQ CC. Healthcare and BFSI were reduced, down 4.4/1.3% QoQ CC respectively. Healthcare was impacted by seasonality and policy changes while client-specific issues and delay in ramping up large deals impacted BFSI growth. (3) Total TCV was USD 3.46bn (+4% QoQ) and large-deal TCV (USD 30mn+ TCV) stood at USD 1.44bn (+65% QoQ). The current pipeline is focused on cost optimization and vendor consolidation opportunities. (4) IT services reported EBITM at 17.3% (-33bps QoQ), below our estimate of 17.6%. The IT services EBITM was impacted by acquisition cost and salary hikes rolled out from 1 March.
- Outlook:** We have factored in revenue growth of +1.8/+4.1% in FY27/28E. IT services EBITM is expected to be 16.4/17.1% for FY27/28E, translating into an EPS CAGR of ~6.1% over FY26-28E. At CMP, Wipro is trading at 15.9/14.7x FY27/28E (5Y average at 20x).

### Quarterly Financial summary

YE Mar (INR bn)	Q4 FY26	Q4 FY25	YoY (%)	Q3 FY26	QoQ (%)	FY24	FY25	FY26	FY27E	FY28E
Revenue (USD mn)	2,651	2,597	2.1	2,635	0.6	10,805	10,512	10,478	10,670	11,111
Net Sales	242.36	225.04	7.7	235.56	2.9	897.60	890.88	926.24	986.67	1,038.36
EBIT	41.64	38.86	7.1	34.95	19.1	135.76	151.24	149.40	162.15	178.00
APAT	37.30	35.70	4.5	33.49	11.4	110.45	131.35	132.94	138.97	149.65
Diluted EPS (INR)	3.6	3.4	4.4	3.2	11.4	10.5	12.5	12.7	13.2	14.3
P/E (x)						19.9	16.8	16.6	15.9	14.7
EV / EBITDA (x)						11.5	10.3	10.5	9.5	8.4
RoE (%)						14.4	16.6	15.5	15.4	15.9

Source: Company, HSIE Research, Consolidated Financials

### Change in Estimates

YE March (INR bn)	FY27E Old	FY27E Revised	Change %	FY28E Old	FY28E Revised	Change %
Revenue (USD mn)	10,797	10,670	(1.2)	11,209	11,111	(0.9)
Revenue	996.25	986.67	(1.0)	1,045.29	1,038.36	(0.7)
EBIT	168.61	162.15	(3.8)	180.57	178.00	(1.4)
EBIT margin (%)	16.9	16.4	-49bps	17.3	17.1	-13bps
APAT	143.46	138.97	(3.1)	152.31	149.65	(1.7)
EPS (INR)	13.7	13.2	(3.1)	14.5	14.3	(1.7)

Source: Company, HSIE Research

## ADD

CMP (as on 16 Apr 2026)	INR 210
Target Price	INR 215
NIFTY	24,197

KEY CHANGES	OLD	NEW
Rating	ADD	ADD
Price Target	INR 225	INR 215
	FY27E	FY28E
EPS %	-3.1	-1.7

### KEY STOCK DATA

Bloomberg code	WPRO IN
No. of Shares (mn)	10,489
MCap (INR bn) / (\$ mn)	2,205/23,663
6m avg traded value (INR mn)	3,194
52 Week high / low	INR 273/187

### STOCK PERFORMANCE (%)

	3M	6M	12M
Absolute (%)	(21.4)	(17.2)	(15.1)
Relative (%)	(14.7)	(10.6)	(16.3)

### SHAREHOLDING PATTERN (%)

	Sep-25	Dec-25
Promoters	72.65	72.63
FIs & Local MFs	7.88	8.38
FPIs	10.81	10.49
Public & Others	8.66	8.50
Pledged Shares	0.00	0.00

Source: BSE

Pledged shares as % of total shares

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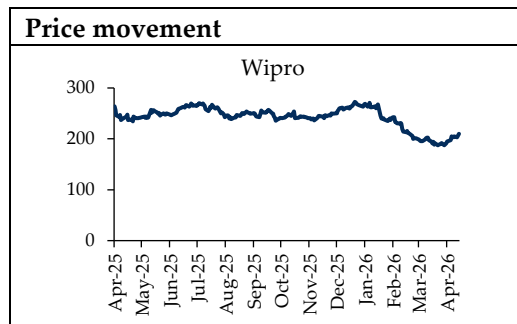
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**Rating Criteria**

BUY: >+15% return potential  
 ADD: +5% to +15% return potential  
 REDUCE: -10% to +5% return potential  
 SELL: > 10% Downside return potential

**Disclosure:**

Analyst	Company Covered	Qualification	Any holding in the stock
Amit Chandra	Wipro	MBA	NO
Vinesh Vala	Wipro	MBA	NO
Maitreyee Vaishampayan	Wipro	MSc	NO



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