

April 28, 2023



Current Price: ₹ 374.35

STOCK DATA

BSE Code	507685
NSE Symbol	WIPRO
Reuters	WIPR.BO
Bloomberg	WPRO IN

VALUE PARAMETERS

52 W H/L(Rs)	530.00/351.85
Mkt. Cap.(Rs Cr)	205446.28
Latest Equity(Subscribed)	1097.62
Latest Reserve (cons.)	70214.80
Latest EPS (cons.) -Unit Curr.	20.70
Latest P/E Ratio -cons	18.08
Latest Bookvalue(cons.) -Unit Curr.	129.94
Latest P/BV - cons	2.88
Dividend Yield -%	0.00
Face Value	2.00

SHARE HOLDING PATTERN (%)

Description as on	% of Holding 31/03/2023
Foreign	7.37
Institutions	10.39
Non Promoter Corp. Hold.	0.82
Promoters	72.92
Public & Others	8.50

Consolidated Results

	Qtr Ending	Qtr Ending	Var. (%)	Qtr Ending	In Cr. Var. (%)
	Mar.23	Dec. 22		Mar.22	
Sales	23190.30	23229.00	0	20860.70	11
OPM (%)	19.43	19.58		19.83	
OP	4505.30	4547.40	-1	4136.50	9
Other income	645.70	640.90	1	502.10	29
PBIDT	5151.00	5188.30	-1	4638.60	11
Interest	286.00	290.20	-1	171.70	67
PBDT	4865.00	4898.10	-1	4466.90	9
Depreciation	846.60	922.90	-8	734.50	15
PBT	4018.40	3975.20	1	3732.40	8
Tax	924.90	910.20	2	639.90	45
PAT	3093.50	3065.00	1	3092.50	0
Minority interest	19.00	12.10	57	5.20	265
Net profit	3074.50	3052.90	1	3087.30	0
EPS (Rs)	5.56	4.85		5.42	

Wipro Q4 Results, Revenue up 11.2% YoY to Rs 23190 cr in Q4FY2023, in line with estimates

On consolidated basis

Quarter ended March 2023 compared with Quarter ended December 2022.

Net sales (including other operating income) of Wipro has declined 0.17% to Rs 23190.3 crore.

Operating profit margin has declined from 19.58% to 19.43%, leading to 0.93% decline in operating profit to Rs 4,505.30 crore. Purchase of finished goods cost fell from 0.85% to 0.16%. Employee cost increased from 58.62% to 59.76%. Other expenses fell from 20.96% to 20.59%. Selling and administration expenses rose from 3.91% to 4.13%. Software technology development services cost fell from 12.26% to 12.19%.

Other income rose 1.10% to Rs 645.3 crore. PBIDT fell 0.68% to Rs 5150.6 crore. Provision for interest fell 1.45% to Rs 286 crore. Loan funds remained nil. PBDT fell 0.63% to Rs 4864.6 crore. Provision for depreciation fell 8.27% to Rs 846.6 crore. Profit before tax grew 1.14% to Rs 4,018.00 crore. Share of profit/loss was 84.62% lower at Rs 0.4 crore. Provision for tax was expense of Rs 924.9 crore, compared to Rs 910.2 crore. Effective tax rate was 23.02% compared to 22.90%. Minority interest increased 57.02% to Rs 19.00 crore. Net profit attributable to owners of the company increased 0.71% to Rs 3,074.50 crore.

Full year results analysis.

Net sales (including other operating income) of Wipro has increased 14.09% to Rs 90487.6 crore. Sales of IT Services segment has gone up 14.79% to Rs 89,747.80 crore (accounting for 98.69% of total sales). Sales of IT Products segment has gone down 2.04% to Rs 604.70 crore (accounting for 0.66% of total sales). Sales of India State Run Enterprise segment has gone down 20.18% to Rs 582.30 crore (accounting for 0.64% of total sales).

Profit before interest, tax and other unallocable items (PBIT) has slumped 0.48% to Rs 13,960.60 crore. PBIT of IT Services segment rose 1.23% to Rs 14,078.30 crore (accounting for 100.84% of total PBIT). PBIT of IT Products reported loss of Rs 17.60 crore compared to

Segment Quarter ended	In Cr.			
	202303	202203	Var.(%)	% of (Total)
Sales				
IT Services	23,044.40	20,660.80	12	99
IT Products	113.10	120.10	-6	0
India State Run Enterprise	131.80	186.80	-29	1
Reconcilience Items	0.00	-0.20	-	0
Total Reported Sales	23,289.30	20,967.50	11	100
Less: Inter segment revenues	0.00	0.00	-	
Net Sales	23,289.30	20,967.50	11	100
PBIT				
IT Services	3,764.60	3,505.00	7	100
IT Products	-5.90	-2.20	-	0
India State Run Enterprise	2.00	17.10	-88	0
Reconcilience Items	-3.00	-8.80	66	0
Total PBIT	3,757.70	3,511.10	7	100
Less : Interest	286.00	171.70	67	
Add: Other un-allocable	546.70	393.00	39	
PBIT Margin(%)				
IT Services	16.34	16.96	-62bps	
IT Products	-5.22	-1.83	- ve	
India State Run Enterprise	1.52	9.15	-1067bps	
Reconcilience Items	0	4,400.00		
PBT	4,018.40	3,732.40	7.66	100

profit of Rs 11.50 crore. PBIT of India State Run Enterprise segment fell 62.40% to Rs 44.10 crore (accounting for 0.32% of total PBIT). PBIT of Reconcilience Items segment fell 1,702.50% to Rs -144.20 crore (accounting for -1.03% of total PBIT).

PBIT margin of IT Services segment fell from 17.79% to 15.69%. PBIT margin of IT Products segment fell from 1.86% to 2.91%. PBIT margin of India State Run Enterprise segment fell from 16.08% to 7.57%. Overall PBIT margin fell from 17.64% to 15.35%.

Operating profit margin has declined from 21.04% to 18.63%, leading to 1.02% rise in operating profit to Rs 16,853.60 crore. Purchase of finished goods cost fell from 0.85% to 0.72%. Employee cost increased from 56.72% to 59.43%. Other expenses fell from 21.40% to 21.23%. Selling and administration expenses rose from 3.80% to 4.04%. Software technology development services cost fell from 13.69% to 12.74%.

Other income rose 9.92% to Rs 2265.7 crore. PBDIT rose 1.99% to Rs 19119.3 crore. Provision for interest rose 89.24% to Rs 1007.7 crore. Loan funds declined from Rs 17,592.90 crore as of 31 March 2022 to Rs 17,466.60 crore as of 31 March 2023. Inventories declined from Rs 133.40 crore as of 31 March 2022 to Rs 118.80 crore as of 31 March 2023. Sundry debtors were higher at Rs 12,635.00 crore as of 31 March 2023 compared to Rs 11,521.90 crore as of 31 March 2022. Cash and bank balance declined from Rs 10,383.60 crore as of 31 March 2022 to Rs 9,188.00 crore as of 31 March 2023. Investments rose to Rs 33,073.20 crore as of 31 March 2023 from Rs 26,153.80 crore as of 31 March 2022.

PBDT fell 0.56% to Rs 18111.6 crore. Provision for depreciation rose 8.53% to Rs 3340.2 crore. Fixed assets declined from Rs 15,305.00 crore as of 31 March 2022 to Rs 15,025.40 crore as of 31 March 2023. Intangible assets increased from Rs 24,286.10 crore to Rs 30,348.50 crore.

Profit before tax down 2.40% to Rs 14,771.40 crore. Provision for tax was expense of Rs 3399.2 crore, compared to Rs 2897.4 crore. Effective tax rate was 23.02% compared to 19.14%.

Minority interest increased 19.57% to Rs 16.50 crore. Net profit attributable to owners of the company decreased 7.19% to Rs 11,350.00 crore.

Equity capital increased from Rs 1,096.40 crore as of 31 March 2022 to Rs 1,097.60 crore as of 31 March 2023. Per share face Value remained same at Rs 2.00.

Promoters' stake was 72.92% as of 31 March 2023, compared to 73.00% as of 31 March 2022.

Cash flow from operating activities increased to Rs 13,060.10 crore for year ended March 2023 from Rs 11,079.70 crore for year ended March 2022. Cash flow used in acquiring fixed assets during the year ended March 2023 stood at Rs 1,483.40 crore, compared to Rs 2,015.30 crore during the year ended March 2022.

Buyback: The board has approved buy back for the value of Rs 12,000 cr. including Tax the buyback will be Rs 14800 cr or US \$ 1.8 billion. Post buyback the company will be left with cash of US \$ 1.5 billion net of debt. In addition the company will continue to generate US \$ 300-350 million in cash per quarter.

Outlook:

Outlook for June quarter ended (Q1FY2024): Revenue from our IT Services business including India State Run Enterprise (ISRE) segment to be in the range of \$2,753 million to \$2,811 million. This translates to a sequential guidance of -3.0% to -1.0% in constant currency terms.

Management Commentary:

Commenting on the performance Mr Thierry Delaporte, CEO and Managing Director, said, "We closed FY23 with the strongest-ever bookings recorded in a year. We delivered two consecutive quarters of total bookings of over \$4.1 billion. Our large deal order booking grew by 155% year-over-year for the quarter. We are also pleased to announce our share buyback, which is part of our philosophy to deliver consistent returns to shareholders

"Compared to just a few years ago, we are seeing a visible change in the structure of our deals and our market position. We are winning large transformation deals, benefiting from a consolidating market, and deepening relationships with existing clients."

"We have built a strong foundation to sustain through this period of increased uncertainty. We have the growth mind-set, right organizational structure, and the talent for long-term success."

Mr Jatin Dalal, Chief Financial Officer, said, "We continue to maintain our focus on operational improvements and productivity enhancements which led to our IT services margin exit at 16.3% in Q4 despite macro headwinds. We generated strong operating cash flows at 121% of our net income for the Quarter."

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