

WIPRO LTD

(NSE : WIPRO , BSE : 507685)



DATE : 16/5/24

WE AT AS RESEARCH TECHNIC, INITIATE OUR COVERAGE ON WIPRO LTD. Wipro Limited (NYSE: WIT, BSE: 507685, NSE: WIPRO) is a leading technology services and consulting company focused on building innovative solutions that address clients' most complex digital transformation needs.

ABOUT THE BUSINESS :

Wipro Limited (with "Wipro" being an abbreviation for its former name, the Western Indian Palm Refinery Oil; stylized in lowercase title) is an Indian multinational corporation that provides information technology, consultant and business process services. It is one of the leading Big Tech companies. Wipro's capabilities range across cloud computing, computer security, and other digital transformation, artificial intelligence, robotics, data analytics, technology consulting services to customers in 167 countries. The company was incorporated on 29 December 1945 in Amalner, India, by Mohamed Premji. In 1966, after Mohamed Premji's death, his son Azim Premji took over Wipro as its chairperson at the age of 21. In 2012, Wipro demerged its non-IT businesses into a separate company called Wipro Enterprises. Prior to this demerger, these businesses, mainly in the consumer care, lighting, furniture, hydraulics, water treatment, and medical diagnostics, contributed about 10% of Wipro's total revenues. During the 1970s and 1980s, the company shifted its focus to new opportunities in the IT and computing industry, which was at a nascent stage in India at the time.

PREVIOUS MONTH FOLLOWUP

AS MENTIONED IN THE PREVIOUS REPORT, THE SHARE PRICE BROKE 488 ON THE UPPER SIDE. THE STOCK PRICE WENT UPTO 491 AFTER BREAKING THE RESISTANCE 483 ON THE UPPER SIDE.

CONS :

- The company has delivered a poor sales growth of 8.75% over past five years.
- Dividend payout has been low at 12.2% of profits over last 3 years.
- Working capital days have increased from 75.8 days to 158 days.

FINANCIAL SNAP SHOT:

MARKET CAP	₹ 2,42,663 Cr.
STOCK P/E	21.8
ROE	14.5 %
CURRENT PRICE	₹ 464
BOOK VALUE	₹ 143
ROCE	17.2 %
HIGH	₹ 546
LOW	375
DIVIDEND YIELD	0.22 %
FACE VALUE	₹ 2.00

SHARE HOLDING PATTERN:

PROMOTERS	72.89%
DIIS	6.96%
FIIS	8.28%
PUBLIC	11.76%
GOVERNMENT	0.00%
NO.OF SHAREHOLDERS	23,97,648

RESEARCH ANALYST

P.SUNANDINI

@ AS RESEARCH TECHNIC

PEER COMPARISON :

SECTOR: IT - SOFTWARE

INDUSTRY: COMPUTERS - SOFTWARE - LARGE

S.No.	Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	Sales Qtr Rs.Cr.	ROCE %
1	TCS	3896	30.31	1409606.85	1.42	61237	64.28
2	Infosys	1451	23.22	602290.87	2.61	37923	39.99
3	HCL Technologies	1345	23.28	364987.92	3.84	28499	29.84
4	Wipro	464.2	21.83	242662.53	0.22	22208.3	17.15
5	LTIMindtree	4763.95	30.85	141090.81	1.29	8892.9	32.11
6	Tech Mahindra	1304.45	54.01	127435.01	2.38	12871.3	11.89
7	Persistent Sys	3514.8	49.65	54145.6	0.56	2590.53	29.8

KEY POINTS :

- Wipro is creating a positive impact in the world, building innovative solutions to address the most complex digital transformation needs of the clients and embracing a strong commitment to sustainability and outstanding corporate citizenship.
- Wipro's 25,000+ global workforce contributes to building future-ready sustainable businesses by integrating technology, consulting, cloud, data, artificial intelligence, engineering and digital operations and is the technology orchestrator of choice for many leading brands across the world.
- Wipro full stride cloud continues to deliver strong growth year after year and most importantly, create tangible business value for the clients.
- The company empower's their clients to re-think and re-imagine their business model through the transformational power of the cloud.
- Wipro engineering edge provides a full stack of engineering services from chip to cloud, supporting next generation products and services that enable organisations to take full advantage of growth opportunities using the latest technology.
- By working with Wipro, clients worldwide have quickly pivoted their businesses, built competitive edges and become future-ready.

- As a 5G pioneer, Wipro enables enterprises to envision and unblock their ambitions through ecosystem-led connectivity Platforms.
- Wipro is closely working with partners like Microsoft, Google, AWS and NVIDIA to co-build solutions for customers.
- Wipro has embraced a transformative journey, becoming an AI -first organization.
- The next decade is believed to be the age of AI, Wipro has been investing ahead of the curve to understand AI and leverages its power inside the company and to create solutions for the clients.
- Wipro's revenues grew from \$8 billion to \$11.5 billion during the period of evolution, marking a second straight year of double-digit growth.
- Wipro is placed in the leadership category in the Indian corporate governance assessment that IIAS undertook as of December 31,2022,for the 5th consecutive year.
- The company's IT services revenue for the quarter is at the top end of the guidance.
- Wipro is also expanding their partnership with IBM to invest in next new joint solutions built on IBM WATSONX that makes it easier to deploy reliable, responsible and sustainable AI solutions.

• THE SHARE PRICE CAN GO UOTO 501 IF IT BREAKS 496 ON THE UPPERSIDE.
 • THE SHARE PRICE CAN GO UPTO 461 IF IT BREAKS 469 ON THE LOWER SIDE.

PIVOT TABLE :

	SUPPORT				RESISTANCE				
DATE	WEEK CLOSE	S3	S2	S1	PIVOT	R1	R2	R3	PRV CLOSE
15-04-2024	464.45	448.98	451.82	454.08	456.92	459.18	462.02	464.28	456.35
14-04-2024	464.45	441.77	446.98	449.47	454.68	457.17	462.38	464.87	451.95
13-04-2024	464.45	438.57	441.78	446.82	450.03	455.07	458.28	463.32	451.85
10-01-1900	451.85	444.43	447.37	451.63	454.57	458.83	461.77	466.03	455.9
09-04-2024	451.85	446.42	450.23	456.77	460.58	467.12	470.93	477.47	463.3
08-04-2024	451.85	456.23	458.77	461.33	463.87	466.43	468.97	471.53	463.9

DISCLAIMER: INVESTMENT/TRADING IN SECURITIES MARKET IS SUBJECT TO MARKET RISK, PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE PERFORMANCE.THE RISK OF LOSS IN TRADING AND INVESTMENT IN SECURITIES MARKETS INCLUDING EQUITIES AND DERIVATIVES CAN BE SUBSTANTIAL.