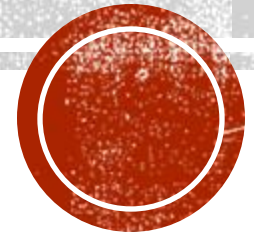


# **MANAGERIAL ECONOMICS NEWS ANALYSIS**



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Wipro's net profit rose 5.2% year-on-year (YoY) to Rs 3,036.6 crore in Q1 FY25, beating estimates.

Revenue declined 3.79% YoY to Rs 21,963.8 crore, missing estimates.

Sequential revenue growth was -1.1%, with pressure on discretionary spending continuing.

IT services revenue was \$2,625.9 million, down 1.2% QoQ and 5.5% YoY.

Large deal bookings were \$1.1 billion, down 3.1% QoQ and 3.6% YoY.

Wipro ADR fell 9.3% in opening trade.

Client spending showed signs of improvement, leading to an upward revision of revenue guidance for Q2 FY25.

Wipro plans to hire 10,000-12,000 employees in FY25 after six quarters of headcount reduction.

Operating margin improved to 16.5%, up 42 bps YoY.

Growth across geographies and verticals was mixed, with some showing decline and others showing marginal growth.

BFSI showed positive momentum, while energy, natural resources, utilities, manufacturing, and communication verticals were under pressure.

Wipro's focus on top 25 clients contributed to better performance.

The company is investing in GenAI and AI platforms to drive future growth.

## Wipro profit beats estimates, rises 5.2%

SHWANI SHINDE & ANEKA CHATTERJEE  
Mumbai/Bangalore, 19 July

Bangaluru-based IT services major Wipro posted a net profit of ₹3,036.6 crore for the first quarter of the current financial year (FY25), up 5.2 per cent from the year-ago period. Profit was up 6.2 per cent quarter-on-quarter (Q-o-Q) and beat *Bloomberg* estimates of ₹2,931 crore.

Like its larger peers, India's fourth largest IT services firm also signalled better client spending as it marginally upped its revenue guidance for the second quarter of FY25 from -1 per cent to +1 per cent. The company had cut its revenue guidance in the last quarter and guided for revenue in the range of -1.5 per cent to 0.5 per cent.

Revenue for the March quarter was down 3.79 per cent from the year-ago period to ₹21,963.8 crore. This was below *Bloomberg* estimates that pegged the revenue at ₹22,237.4 crore. On a sequential basis, revenue growth was down 1.1 per cent as pressure continued on discretionary spending.

IT services segment revenue was at \$2,625.9 million, a decrease of 1.2 per cent Q-o-Q and a 5.5 per cent decline Y-o-Y. The company announced total booking at \$3.2 billion. Large deal bookings were at \$1.1 billion, a decrease of 3.1 per cent Q-o-Q and 3.6 per cent Y-o-Y.

Wipro ADR fell by 9.3 per cent in opening trade as numbers remain largely in line while stock has jumped in near-past sessions.

Srini Pallia, Managing Director and CEO, said: "In Q1, we did not see any significant shift in the demand environment. Clients remain cautious and discretionary spending continued to be muted. But as we move into the second quarter, we believe we are now in a better position compared to the start of quarter one."

IT services operating margin for the quarter was at 16.5 per cent, an increase of 0.1 per cent Q-o-Q and 0.4 per cent Y-o-Y.

India's top four IT services firms have started the financial year on a positive note with strong performances.

Biswajit Maity, Sr Principal Analyst, Gartner said: "Overall, Q1 presented mixed results, with some vendors experiencing strong growth momentum and others showing muted growth. We've consistently emphasised that this year will show growth. In 2024, buyers of IT services will maintain caution regarding discretionary spending and prioritise achieving strong business results. Enterprises will proceed cautiously with new project commitments in the first half of 2024, anticipating accelerated spending in the latter part of the year."

Growth across geographies and verticals was either subdued or declined for Wipro. Americas 1 grew 1.3 per cent Y-o-Y and 0.3 per cent sequentially, Americas 2 was down 3 per cent Y-o-Y and 0.9 per cent sequentially. Europe was down 11.6 per cent Y-o-Y and 1.9 per cent Q-o-Q. Asia Pacific Middle East Africa (APMEA) was also down by 13.2 per cent Y-o-Y.

Among verticals, BFSI saw a 5.3 per cent decline Y-o-Y but grew marginally at 0.3 per cent sequentially. Energy, natural resources and utilities plunged 12 per cent Y-o-Y and 6.5 per cent Q-o-Q. Manufacturing slumped -15.7 per cent Y-o-Y and 3.4 per cent Q-o-Q. Communication was the worst performer with a decline of 21.9 per cent Y-o-Y and 2 per cent Q-o-Q. Acknowledging the pressure in verticals like manufacturing and communications, Pallia said Wipro's ability to mine larger clients was getting better.

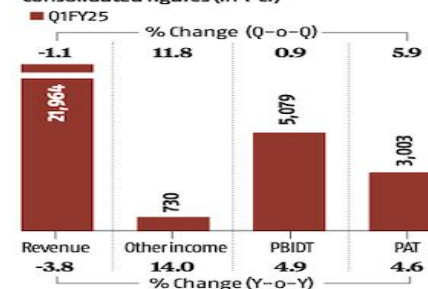
"Our top 25 clients continue to outperform, growing 1.3 per cent sequentially, and it gives us comfort that the strategy is working," said Aparna Iyer, chief financial officer, Wipro.

"2024 is the year of GenAI planning—enterprises are working out how to use GenAI, and



### MISSSES REVENUE VIEW

Consolidated figures (in ₹ cr)



### Wipro to hire 10K-12K in FY25 from campuses

IT services major Wipro has said that it will be hitting the campus trail and hiring around 10,000-12,000 employees during the ongoing financial year, after reporting headcount dip for six quarters on the trot till the end of FY24. In the first quarter, the firm onboarded just 337 employees.

With this, Wipro joins other large IT services firms, who also plan to hit the engineering campuses to hire freshers, as utilisation hits an all-time high and demand in some businesses show improvement.

Tata Consultancy Services (TCS) was the only IT player to have announced a campus hiring target for FY25 last year. In case of Wipro, hiring is a positive sign as it not only shows demand is back, but also freshers who have been in a wait mode can finally start landing jobs. "After a break of a year we have started on-boarding freshers from campus. This quarter we onboarded around 3,000 freshers. We would be onboarding around 10,000-12,000 people this FY," said Sourabh Govil, CHRO, Wipro.

tech providers are building out the tools and platforms to allow those plans to come to fruition in 2025. The adoption of GenAI/AI will also influence the growth momentum of the IT sector," added Maity.

The company also improved its margins for the quarter.

"We continued to expand our margins to 16.5 per cent in Q1'25, this is a 42 bps improvement Y-o-Y. Our margin performance is also reflected in our EPS increase of 10% Y-o-Y," said Iyer.



- Net Profit Increase:** Wipro reported a 5.1% year-on-year and 6.2% sequential increase in net profit for the first quarter, amounting to ₹3,036 crore.
- Revenue Decline:** Revenue dipped by 1.09% year-on-year to ₹22,973 crore, missing analysts' expectations of ₹22,993 crore.
- Business Outlook:** Wipro forecasts a better second quarter with revenue growth up to 1% or higher sequentially.
- Operating Margin:** Operating margin improved by 0.1 percentage points sequentially and 0.5 percentage points year-on-year, reaching 16.5%.
- Deal Bookings:** Total deal bookings were \$3.3 billion with large deal bookings of \$1.2 billion.
- Market Insights:** CEO Srini Pallia noted no significant shift in demand, with clients remaining cautious and discretionary spending muted.
- Sectoral Performance:** Growth observed in healthcare, BFSI, and consumer sectors, with a focus on high-value transformations in the US and Europe.
- Employee Statistics:** Wipro added 387 employees in Q1, taking the headcount to 249,624, reversing the downward trend of the previous two quarters.
- Challenges:** The macro environment, especially in the US, remains challenging, with the company keeping a close watch on the upcoming quarters.
- Competitor Performance:** Infosys posted a 1% increase in its margin at 21.1%, while Tata Consultancy Services and HCLTech saw contractions.

## Wipro's Net Profit Rises 6.2% to ₹3k cr, Revenue Dips 1.09%

Net profit jumps 5.1% y-o-y; guidance improved on better outlook from Americas

### Our Bureau

**Bengaluru:** Wipro on Friday reported a better-than-expected 5.1% year-on-year and 6.2% sequential increase in first-quarter net profit, but revenue fell on both counts as a tough macro environment continued to batter the IT industry.

However, seeing some green shoots in both the Americas region and in its consulting business, Capco, Wipro forecast a slightly better second quarter, when it expects revenue to be 1% lower or higher sequentially in constant currency terms.

The Bengaluru-based company, India's fourth largest software services firm, posted a net profit of ₹3,036 crore for a quarter when it had seen top leadership rejig. Analysts tracked by ET were expecting a profit of ₹2,993 crore. Revenue fell 1.09% sequentially and 3.8% on year to ₹21,964 crore, also missing the estimate of ₹22,258 crore.

The company reported an increase in headcount after several quarters, and said it started to onboard freshers after a break of a year and would complete all the backlog offers in this fiscal year.

Wipro shares closed 2.78% lower at ₹557.25 on the BSE Friday. The results were announced after market hours.

"In Q1, we did not see any significant shift in the demand environment. Clients remained cautious and discretionary spending continued to remain muted," said chief executive officer Srini Pallia.

On the macroeconomic outlook, he

### Numbers Watch

Wipro posted negative revenue growth (1.09%) sequentially at ₹21,964 cr

TOTAL DEAL BOOKINGS  
**\$3.3 billion**

LARGE DEAL BOOKINGS  
**\$1.2 billion**

OPERATING MARGIN  
SLIGHTLY UP BY 10 BPS  
QOQ AND 50 BPS YOY



**Q** In Q1, we did not see any significant shift in the demand environment. Clients remained cautious and discretionary spending continued to remain muted  
**SRINI PALLIA, CEO**

PHOTO: N NARASIMHA MURTHY; GRAPHICS: VASU

said: "The macro environment in the context of geopolitics and the elections that are going on (in countries like the US), I think it is difficult to predict. There has been a hope that H2 will be better with the macro-economic conditions and I am hoping that will continue that way."

The outlook is different for different countries and business segments, he said. "For example, if you look at the BFSI segment, specifically if you look at Capco, we are seeing growth coming from both Europe and the US ... We are also focusing on countries like India and Asia Pacific," the CEO said.

Pallia was appointed Wipro's chief three months ago. The company has been underperforming its rivals for several quarters, and has seen an exodus of senior level executives during the tenure of former CEO Thierry Delaporte, who exited in April with 15

months remaining in his tenure.

Chief financial officer Aparna Iyer said the company has factored both hits and misses for the outlook. While the Americas outlook is good, "Europe and APMEA (Asia Pacific, Middle East and Africa) are soft", she added.

Its consulting business Capco grew 3.4% in the first quarter.

Total bookings were \$3.3 billion with large deals accounting for \$1.2 billion, a decrease of 3.1% sequentially and 3.6% from a year earlier.

Pallia said BFSI maintained positive momentum from the previous quarter and "we have seen growth in BFSI for two consecutive quarters".

While the company's businesses with the consumer sector grew 1.6%, manufacturing and energy and utilities continued to show weakness, the

CEO said.

Operating margin was up by 0.1 percentage point sequential and half a point on year at 16.5%.

Cross town rival Infosys posted a 1 percentage point increase in its margin at 21.1% for the quarter, while at market leader Tata Consultancy Services and HCLTech, it contracted to 24.7% and 17.10%, respectively.

The number of \$100 million clients remained stagnant at 22, that of \$75 million and \$50 million clients slipped by three and two, respectively. The number of active clients fell from 1,444 a year earlier to 1,364. Iyer said about 38% of the company's revenue came from its top 25 clients and their number grew 1% in the same period.

"Despite revenue impacts in some regions due to a slowdown in demand, Wipro is prioritising high-value transformation projects and reducing low-margin accounts, reflecting in margin improvements," said Biswajit Maity, senior principal analyst at Gartner. "They seek to create large deal momentum by being proactive with clients and partners. They are also focused on sustaining and improving their large deal wins."

### HEADCOUNT EXPANDS

Wipro added 337 employees on a net basis in the first quarter ended June, taking the headcount to 234,391. This was the first time in seven quarters that the company expanded its workforce.



# FINANCIAL EXPRESS

- Revenue Decline:** Wipro reported a 1.1% sequential decline in Q1 revenue to ₹21,963.80 crore, missing Bloomberg's consensus estimate of ₹22,237 crore.
- Net Profit Increase:** Net profit increased by 6% to ₹3,003 crore, surpassing analysts' expectations of ₹2,931 crore.
- Operating Margin Expansion:** Operating margin improved by 10 basis points sequentially to 16.5%.
- Client Behavior:** Clients remained cautious with discretionary spending muted.
- Deal Bookings:** Wipro reported large deal bookings of \$1.2 billion for the June quarter and total deal wins of \$3.3 billion for January-March.
- Geographic Performance:** Growth was observed in America's region by 50 bps and in Europe by 20 bps. The APMEA region saw a decline of 40 bps.
- Employee Statistics:** Wipro's headcount increased by 337 employees in Q1, reaching 234,391. They plan to hire 10,000-12,000 freshers this fiscal year.
- Employee Utilization:** Employee utilization rose to 87.7%, up from 86.9% in January-March.
- Attrition Rate:** Wipro's attrition rate declined to 14.1% over the last twelve months, compared to 14.6% in the previous quarter.
- Competitor Insights:** Infosys, HCLTech, and TCS showed varied performance in headcount and market conditions, with Infosys reporting a fall, and TCS seeing a net increase in employees.

## Wipro revenue falls 1% in Q1, misses estimates

Net profit up 6% to ₹3,003 cr; firm raises Q2 revenue guidance

PADMINI DHURVARAJ  
Bengaluru, July 19

**ITMAJOR WIPRO** on Friday reported a 1.1% sequential decline in its topline growth in the quarter ended in June as the company did not see a "significant shift in the demand environment".

The Q1 consolidated revenue, at ₹21,963.80 crore, also fell short of the Bloomberg consensus estimate of ₹22,237 crore.

"Clients remained cautious and discretionary spending continued to be muted," Srinu Pallia, chief executive officer and managing director, Wipro, said in the post-earnings press conference.

Wipro's American depository receipts (ADR) fell 10% on the New York Stock Exchange on Monday. In the domestic market, its shares ended 2.8% lower at ₹557 on the National Stock Exchange.

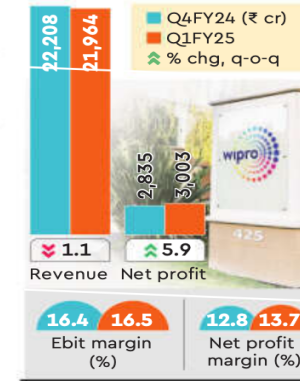
However, the company expanded its operating margin, also known as earnings before interest and tax (Ebit) margin, and net profit aided by a near 2% sequential decline in its total expenses. The operating margin grew by 10 basis points sequentially to 16.5% in the June quarter, while the bottom line rose 6% to ₹3,003.2 crore, above analyst estimates of ₹2,931 crore.

Aparna Iyer, chief financial officer of the company, said: "This (margin expansion) is a 42-bps improvement y-o-y. Our margin performance is also reflected in our EPS increase of 10% y-o-y."

The company raised the sequential revenue guidance for July-September from its IT services business segment at (-)1% to +0.1% in constant currency



### REPORT CARD Wipro consolidated financials



terms from (-)1.5% to +0.5% for the June quarter. "I think it is difficult to predict the macro environment. There has been hope that the second half will be better than the first half in terms of the macroeconomic conditions. I am hoping that it will continue that way," Pallia said.

Wipro won large deals worth \$1.2 billion during the June quarter, and its total deal wins for the quarter stood at \$3.3 billion against \$3.6 billion in January-March. Wipro considers deal bookings of \$30 million or higher in total contract value terms as large deals.

The company said it was seeing strong traction in the generative artificial intelligence space, without disclosing revenue numbers. "That's (GenAI implementation) very critical for the organisation," Pallia said.

On the geographies front the company saw a growth of 50 bps in its Americas 1 region and 10 bps in Americas 2. Revenue from Europe fell 20 bps and from APMEA 40 bps q-o-q.

Further, Wipro saw growth in consulting business Capco for the third straight quarter.

Srinu Pallia,  
CEO & MD,  
Wipro

## Headcount up; company to hire up to 12K freshers this fiscal

PADMINI DHURVARAJ  
Bengaluru, July 19

**FOR THE FIRST** time in six quarters, IT services company Wipro's net headcount increased in the June quarter. The company added 337 employees in April-June, taking its total headcount to 234,391. This comes after a year-on-year decrease in total headcount for FY24.

Further, Wipro's attrition rate declined marginally to 14.1% on the last-twelve-month (LTM) basis in the quarter ended June against 14.2% reported in the last quarter.

The company said it onboarded 3,000 freshers in Q1 and plans to hire 10,000-12,000 freshers in FY25. "We have started, after a break of a year, onboarding freshers from campus. We have onboarded 3,000-odd people in this quarter," Saurabh Govil, chief human resources officer of Wipro said.

Employee utilisation rose to a multi-year high of 87.7% from 86.9% in January-March. "We have seen the utilisation going up every quarter. We can believe this is the right time for us to look at the supply side, so that we can have much better conditions," he added.

Peers Infosys, HCLTech and Tata Consultancy Services (TCS) saw their net headcount fall in the June quarter. Infosys reported a fall of 1,908. HCLTech saw the headcount decline by 8,080 in the quarter ended June, but this included approximately 7,398 employees lost due to the divestiture associated with State Street. TCS added 5,452 employees on a net-to-net basis in April-June, reversing three straight quarters of decline. However, its overall headcount fell by 1,759 sequentially. LTIMindtree was an exception, adding 284 employees sequentially.



# THE TIMES OF INDIA

1. **Wipro's performance was poor in the June quarter:** Revenue declined by 4.9% year-on-year and 1% sequentially.
2. **Wipro lags behind peers:** TCS and Infosys showed better growth, while HCLTech's decline was less severe.
3. **Muted discretionary spending impacted results:** Clients remained cautious, leading to weakness in manufacturing and energy & utilities sectors.
4. **Banking and financial services showed positive momentum:** This sector grew for the second consecutive quarter.
5. **Wipro's large deal pipeline remains robust:** The company is actively engaging with influencers and partners.
6. **Guidance revised upwards:** Despite a soft quarter, Wipro raised its revenue forecast for the September quarter.

## Wipro lags peers, revenue down nearly 5% in June qtr

TIMES NEWS NETWORK

**Bengaluru:** Wipro shares tanked 13% on the NYSE after its revenue declined by 4.9% in the June quarter compared to the year-ago period. Sequentially, its revenue dropped by 1% in constant currency. Wipro's numbers are lacklustre compared to its peers — TCS and Infosys — and are better than only HCLTech, whose revenue declined by 1.6% in constant currency.

"In Q1, we didn't see a significant shift in demand environment. Clients remained cautious, and discretionary spending continued to be muted," said Wipro CEO Srinii Pallia at the earnings conference on Friday. "Banking & financial services retained their positive momentum from last quarter, and we have now seen growth in this sector for two consecutive quarters. The manufacturing and energy & utilities sectors continued to be weak with sequential declining by 3% and 6.3%, respectively."

Wipro's operating margin

expanded by 10 basis points to 16.5% compared to the March quarter. This is also the lowest among the top four Indian IT firms. Pallia said Wipro is driving large deals momentum systematically across its client base. "We are shaping

0.5% it had guided previously. "There are put and takes in our guidance. Our guidance is based on the visibility we have. There is movement in the Americas (includes Latin America and the US). Capco has been growing for three qu-

### On Muted Discretionary Spends

	CC Revenue (\$/bn)	CC growth% (QoQ)	Op margin Q1(%)	Order book (\$/bn)	Attrition (%)	Net addition	Total head-count
TCS	7.5	2.2	24.7	8.3	12.1	5,452	6.07L
Infy	4.7	3.6	21.1	4.1*	12.7	-1908	3.15L
<b>Wipro</b>	<b>2.6</b>	<b>-1</b>	<b>16.5</b>	<b>3.3</b>	<b>14.1</b>	<b>337</b>	<b>2.35L</b>
HCL	3.3	-1.6	17.1	1.9	12.8	-8,080	2.19L

these opportunities by proactively engaging with influencers and partners. As a result, our pipeline for large deals remains robust," he said. Wipro has had a soft quarter, bagging total contracts worth \$3.3 billion compared to \$3.6 billion in the March quarter. Large deals remained flat sequentially at \$1.2 billion.

Despite the revenue decline in the first quarter of FY25, Wipro has revised its revenue forecast for the Sept quarter to -1% to 1%, from -1.5% to

arters, and its bookings have grown year-on-year. On the other hand, there is softness in Europe and Asia-Pacific, Middle East, and Africa (AP-MEA). Based on all these factors, we have provided guidance," Aparna Iyer, the CFO of Wipro, said at the earnings press conference.

Pallia said the company is seeing some traction in the automotive, BFSI and the consumer sectors in the US and Europe, which gives them the confidence to achieve its guidance.

1. Wipro's Q1 FY25 net profit rose 5.2% YoY to Rs 3,036.6 crore, but revenue declined 3.79% YoY to Rs 21,963.8 crore.
2. IT services revenue fell 5.5% YoY to \$2,625.9 million, and large deal bookings dropped 3.6% YoY to \$1.1 billion.
3. Operating margin improved to 16.5%. Wipro's ADR fell 9.3%. Despite revenue declines, client spending improved, leading to an upward revision of Q2 FY25 revenue guidance.
4. Wipro plans to hire 10,000-12,000 employees in FY25. Growth varied across sectors, with BFSI showing positive momentum, while manufacturing and energy sectors remained weak.
5. Investments in GenAI and AI platforms are aimed at future growth. Comparatively, TCS and Infosys outperformed, while HCLTech's decline was less severe.

## Wipro's Jun quarter revenue dips sequentially to \$2.46 bn

However, net profit grew 5.81% sequentially to \$364 million, exceeding median estimates

Jas Bardia  
jas.bardia@livemint.com  
BENGALURU

**W**ipro Ltd reported a sequential decline in revenue dragged by its oil and natural gas business segment, becoming the second information technology services company out of the country's top four to declare a sequential revenue decline after HCL Technologies Ltd.

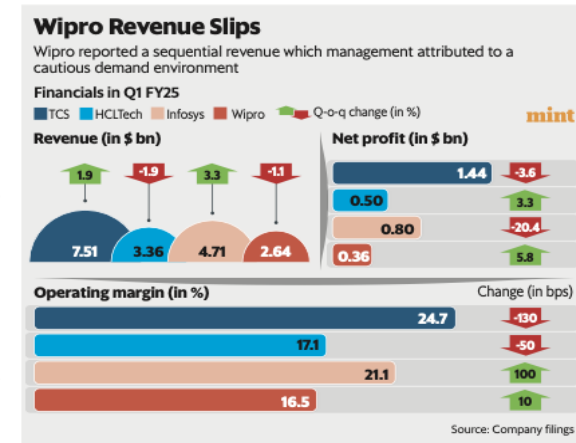
Wipro's decline follows its previous year's performance when it became the only IT services company out of the country's top four to end the 12 months through March 2024 with a revenue decline.

The company posted a revenue of \$2.64 billion for the quarter ended June, down 1.1% from the preceding three months. Even as this performance was a tad better than the start of the last financial year, when the company posted a sequential revenue decline of 2.2%, this provides no solace to the fact that it is still a revenue decline.

Srinivas Pallia, chief executive officer of Wipro, put up a brave face at the post-earnings press briefing while acknowledging the stagnant demand environment.

"The initial climb is both challenging and exciting and as a hiker, I am pleased with the momentum we are building," said Pallia. "In quarter one, we did not see a significant shift in the demand environment. Clients remain cautious and discretionary spending continues to be muted."

Much of Wipro's revenue was dragged by its 'energy, natural resources and utilities' business, which saw a sequential revenue fall of about \$22 million, accounting for 76% of Wipro's overall sequential revenue decline of



\$29 million.

Even as the company's biggest revenue zones, the Americas, held steady, growth from Europe and Asia Pacific, West Asia, and Africa declined by \$14 million each on a sequential basis.

Wipro's revenue decline, which fol-

lowed two second consecutive quarters of flat growth, lagged estimates of 26 analysts polled by Bloomberg who had expected the company to report a revenue of \$2.66 billion.

To compound matters for the company, which underwent a change in its top management in April, Wipro is expected to report a further sequential

decline, it was not as much as that posted by Noida-based HCLTech, which reported a 1.9% sequential revenue decline.

Wipro's net profit did provide some cheer, growing 5.81% sequentially to \$364 million and exceeding the median estimate of \$351.1 million by 25 analysts polled by Bloomberg.

Wipro reported 16.5% in operating margins, which is a marginal 10 basis point increase on a sequential basis.

Hearteningly for investors, the company snapped its headcount trimming streak since the quarter ended September 2022 by adding 337 employees to end the last quarter with 234,391 employees.

Wipro did not give a generative artificial intelligence (Gen AI) pipeline much like its peers, save Mumbai-based Tata Consultancy Services Ltd, which announced a pipeline of \$1.5 billion as of the last quarter.

"Gen AI will be infused in our existing business. Gen AI will be leveraged for software development life cycle, Gen AI will power our industry and cross-industry services. So there are multiple components that's going on. That's why it's very difficult to predict how much and what it is," said Pallia, who took over the reins of the company from Thierry Delaporte in April this year.

Pallia in his address to shareholders during the company's 78th annual general meeting had said Gen AI was going to be an opportunity for the company in the medium to long term and that the company was looking to increase its market share from the business.

Last year was not easy for Wipro. Not only did it end the year with a revenue decline, it witnessed a churn at the top, coupled with an exodus of senior leaders. Wipro's shares on the New York Stock Exchange crashed 11% after the company's muted earnings.

### ROUGH PATCH

**WIPRO** was the only IT services company in the top four to end FY24 with a revenue decline

**CEO** Srinivas Pallia, acknowledged a stagnation in demand amid muted discretionary outgo

**WIPRO'S** revenue was dragged chiefly by its 'energy, natural resources and utilities' business

**THE** growth from Europe and Asia Pacific, West Asia, and Africa dipped by \$14 mn each q-o-q

lowed two second consecutive quarters of flat growth, lagged estimates of 26 analysts polled by Bloomberg who had expected the company to report a revenue of \$2.66 billion.

To compound matters for the company, which underwent a change in its top management in April, Wipro is expected to report a further sequential

"There are factors in the market, but there also are internal factors... if you look specifically on energy and utilities and manufacturing, we have had a soft quarter. And we'll have to recover that softness that we had through winning deals and growing accounts," said Pallia.

Even as Wipro reported a revenue



# SUMMARY

WIPRO'S Q1 FY25 NET PROFIT ROSE 5.2% YOY TO RS 3,036.6 CRORE, BUT REVENUE DECLINED 3.79% YOY TO RS 21,963.8 CRORE, MISSING ESTIMATES. IT SERVICES REVENUE DROPPED 5.5% YOY, AND LARGE DEAL BOOKINGS FELL 3.6% YOY. DESPITE THESE DECLINES, OPERATING MARGINS IMPROVED TO 16.5%. THE ADR FELL 9.3%, BUT CLIENT SPENDING SHOWED IMPROVEMENT, LEADING TO AN UPWARD REVISION OF Q2 FY25 REVENUE GUIDANCE. WIPRO PLANS TO HIRE 10,000-12,000 EMPLOYEES IN FY25 AFTER SIX QUARTERS OF HEADCOUNT REDUCTION. GROWTH VARIED ACROSS SECTORS, WITH BFSI SHOWING POSITIVE MOMENTUM AND MANUFACTURING AND ENERGY SECTORS REMAINING WEAK. INVESTMENTS IN GENAI AND AI PLATFORMS ARE AIMED AT FUTURE GROWTH. COMPARATIVELY, TCS AND INFOSYS SHOWED BETTER PERFORMANCE, WHILE HCLTECH'S DECLINE WAS LESS SEVERE.

