Narnolia™

WIPRO LTD
BUY- BACK
18/04/2019

INDUSTRY -	IT Consulting & Software
BSE Code -	507685
NSE Code -	WIPRO
NIFTY -	11,787.15

Company Data

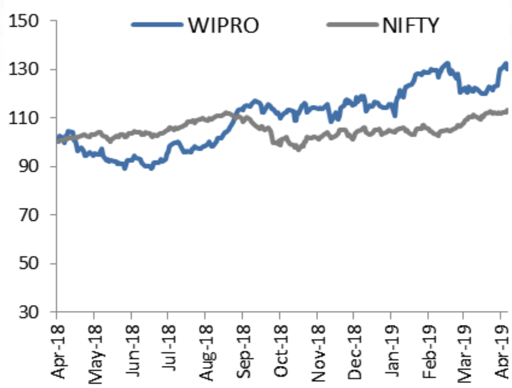
CMP(Rs.)	281
52wk Range H/L	297/190
Mkt Capital (Rs Cr)	1,72,419.70
Av. Volume (,000)	203.26

Shareholding pattern %

	2QFY19	3QFY19	4QFY19
Promoters	74.31	74.3	74.29
Public	25.7	25.7	25.7
Total	**100.0**	**100.0**	**100.0**

Stock Performance %

	1Mn	3Mn	1Yr
Absolute	8.0	2.4	25.6
Rel.to Nifty	2.9	11.2	11.6



BUYBACK DETAILS

Board Meeting Date	16-Apr-19
Buy Back Size	32,30,76,923 Equity Shares (5.35% of total outstanding share capital)
Buy Back Size (Amount in Rs.)	10500 crs
Buy Back Price/Share in Rs.	325
Buy Back Route	Tender Route

Reservation for Retail Shareholders	15%
No of shares reserved for Retail Shareholders	48461538
Retail Share Holders	110788267

View & Valuation

- Based on previous Buyback offer of Wipro, we assume that around 75% shareholders in retail segment shall tender their shares and hence acceptance ratio can come to around 58%. This generates an expected return of 11.9% assuming post buyback price to be Rs 314.
- Fundamentally we have accumulate rating on the stock. Hence, we recommend investors to participate in Buyback offer.

Target Case Scenario

No. of shares tendered (75% of total retail shares)	83091200	Reserved for Retail	48461538
CMP (Rs)	281	Acceptance Ratio	58.00%
Buy-Back Price (Rs)	325	Potential Upside	11.9%

TABLE SHOWING EXPECTED RETURN POTENTIAL IN DIFFERENT SCENARIOS

Scenario	Shares tendered as a % to total retail shareholders	Calculated Acceptance Ratio	Expected Market Price post Buy-Back	Expected Return to Investors (Tax Adjusted)
1	*30%*	*100%*	*314*	*13.3%*
2	*60%*	*73%*	*314*	*12.4%*
3	*75%*	*58%*	*314*	*11.9%*
4	*100%*	*44%*	*314*	11.4%
5	*30%*	*100%*	*281*	*13.3%*
6	*60%*	*73%*	*281*	*9.7%*
7	*75%*	*58%*	*281*	*7.8%*
8	*100%*	*44%*	*281*	*5.8%*
9	*30%*	*100%*	*252*	*13.3%*
10	*25%*	*73%*	*252*	*7.3%*
11	*75%*	*58%*	*252*	*4.1%*
12	*100%*	*44%*	*252*	0.9%

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Correspondence Office Address: Arch Waterfront, 5th Floor, Block GP, Saltlake, Sector 5, Kolkata 700 091; Tel No.: 033-40541700; www.narnolia.com.

Registered Office Address: Marble Arch, Office 201, 2nd Floor, 236B, AJC Bose Road, Kolkata 700 020; Tel No.: 033-4050 1500; www.narnolia.com

Compliance Officer: Manish Kr Agarwal, Email Id: mkagarwal@narnolia.com, Contact No.:033-40541700.

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