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Moderator: Ladies and gentlemen, good day and welcome to Wipro Limited Q3 FY24 Earnings Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Dipak Bohra, Senior Vice President, Corporate Treasurer and Investor Relations. Thank you and over to you, sir.

Dipak Bohra: Thank you, Yashashree. Warm welcome to our Q3 FY24 earnings call. We will begin the call with the business highlights and overview by Thierry Delaporte, our Chief Executive Officer and Managing Director, followed by updates on operations and delivery by Amit Choudhary, our Chief Operating Officer, and finally financial overview by our CFO, Aparna Iyer. Afterwards, the operator will open the bridge for Q&A with our management team.

Before Thierry starts, let me draw your attention to the fact that during the call, we may make certain forward-looking statements within the meaning of Private Securities and Litigation Reform Act 1995. These statements are based on management current expectations and are associated with uncertainties and risks, which may cause the actual results to differ materially from those expected.

The uncertainties and risk factors are explained in our detailed filings with the SEC. Wipro does not undertake any obligation to update the forward-looking statement to reflect events and circumstances after the date of filing. The conference call will be archived and a transcript will be available on our website.

Over to you, Thierry. Thank you.

Thierry Delaporte: Dipak, thank you. Hello, everyone. Thank you for joining us today, very glad to have you here and, of course, here to wish you a great year 2024. So I'll begin today's earnings call with, as always, an overview of our third quarter results, details of our sectoral performance, the demand environment, of course, and then direction for the coming quarter. Earlier today, we reported our numbers to the market and our board and I'm pleased to share with you that we're starting to see some healthy indicators for growth.

One, our IT services revenue for the quarter is at the top end of the guidance. Our revenue stands at \$2.66 billion in reported currency. We've continued to book deals at a healthy pace, but though Q3 is typically a shorter quarter due to the year-end holidays, order booking total contract value terms stand at \$3.8 billion. From that our large deals TCV for the quarter was just over \$900 million. On a year-to-date basis, it actually shows a 20% growth. We booked 14 deals this quarter in the greater than \$30 million TCV range. By comparison, we had 11 of such deals in the third quarter of last year.

Next point is on net income for the quarter, where we've expanded margin by 1.8% sequentially. On operating margin, we stood at 16% despite, I would say, seasonal furloughs and the annual



salary increases for our employees. On a year-to-date basis, our margin has actually improved by more than 60 basis points.

As you know, we have consistently invested in our people, in our processes and organizational efficiencies over the last several quarters. These investments are paying off. We are seeing it every day. Our results demonstrate that at a fundamental level, Wipro is increasingly, I would say, more streamlined, proactive and efficient. This has boosted our clients' trust in our teams. This has improved our win rate. This is the type of deals we are winning. It's visible in that way. That is more of a complex transformation deal is what we are seeing.

Wipro is not only benefiting from vendor consolidation, but we're also adding new logos, while we are continuing to grow our business with existing clients, of course. In fact, our clients tell me that they are seeing a more confident and united effort from us, One Wipro. We're leveraging the depth and the breadth of expertise and diversity inside Wipro. Contributions from our acquired firms, such as Capco, Rizing and Designit, you know them, are more prominent and well-received.

Looking at the demand environment, I'd say the demand environment overall remains cautious. Clients are still making conservative investments. They are looking for efficiency. They are more focusing on returns on investment and looking for better optimization, I would say, of existing investments. But we are seeing some indicators for growth. If you remember, we had called out a possible slowdown in the economy as growth in our consulting business slowed. We know that when the market turns, consulting will be the first area to bounce back.

With that in mind, I'm pleased to share good performance from our consulting business with Capco reporting a double-digit sequential growth in order bookings, the highest in the last three quarters.

Turning to our strategic market units, looking at America's 1 first, we recorded a strong quarter for this unit where we booked half of our 14 large deals this quarter. Revenue in this market grew 2% sequentially, led by healthcare, which grew actually 9% sequentially. In our America's 2 market unit, we continue to see some softness. This is, you know, let's keep in mind this unit is primarily a BFSI or BFSI in energy and utilities being, you know, the large part of these units. They are seeing still some softness and resulting in a 1.3% drop in revenue Q on Q.

That said, there's strong momentum in order bookings, which in total contract value terms increased 46% sequentially. In Europe, we won four large deals in the third quarter, despite the continuing economic weakness. These four new transformative deals add up to nearly \$300 million in bookings. These deals underscore the success of our strategy in this market, having said that, revenue from Europe decreased 4.3% sequentially in Q3.

Across the board, but more specifically in our APMEA strategic market unit, we have worked on and -- you know, we've reported on that regularly. We have worked on reducing low margin accounts, while slowly moving towards higher value transformation projects. So in APMEA, revenues declined 5.4% quarter on quarter. However, the strategy of pivoting towards higher value business reflects in the margins we delivered in the region.



Margins rose 240 basis points sequentially to 13.8% this quarter, that's the highest in the last six quarters. And once again, we are seeing consulting, especially Capco and Rizing, play a big role in the complex deals we are winning in this market.

To continue this rigor, we made some changes to our growth office recently, you know that. With the foundational pillars for sales excellence set out by the growth office over the last two quarters -- the last two years actually, we moved some of the growth office functions inside the strategic market units, thus creating an even tighter integration with the SMUs.

With this, we reinforced how we nurture large deals in each geography and we will respond faster to changing market needs. Simultaneously, we continued to streamline our operations as per plan. We continue to leverage artificial intelligence and automation for efficiency across all functions and business areas.

We continue to add to that the learning and development and re-skilling of our existing talent base and besides optimizing our talent pyramid to better serve clients' needs. Multiple initiatives are in place. I request Amit to share highlights of some of those programs with you today.

What I can say with confidence is that Wipro is a better partner for our clients today. We are more agile, one that is responding to and evolving with our clients and their needs. Amit, by the way, will also share with you highlights of the work done around account delivery and service excellence. This really is the centrepiece of our efficiency play and increase agility. We continue to invest in areas that we know are going to remain, I would say, fundamental for our long-term success.

And let's start with that. People are our most valuable assets. We awarded our colleagues their performance-based annual salary increases recently, as you know. The promotion cycle just closed and we'll be making the announcement soon. We've continued to stress on and offer training and development options and growth opportunities to our employees.

This is critical to why people continue to choose to work with and give the best to Wipro. Of course, returning to work more regularly after a few years of fully remote work has absolutely helped energize the culture and the atmosphere in our offices. Then there's AI.

We'd be amiss to not share how we are using AI ourselves as an organization and for our clients. AI is now moving from the curiosity and experimentation stage to becoming vital, I was going to say viral as well, to business strategy. In fact, we can confidently say that every long-term large deal now has an AI component.

A substantial portion of our clients are looking for us to develop use cases tied to their business goals. They want us to use AI models to drive tangible results. AI is now embedded across most of our existing solutions and offerings.

In addition, every business line is working to launch new offerings that use AI. That's the way it is at the moment. For example, in our full-stride cloud business, an area that's particularly hot when it comes to the use of Gen AI is digital workplace services.



Leveraging Gen AI to lighten the load on service desks, deliver faster and better client services now part of every RFP in this space. One of our largest deals in Europe this quarter is to transform digital workplace services of a multinational telecommunications company. This will help improve client satisfaction and reduce operating expenses.

We will actually build an AI-powered platform for them that provides service desks, on-site and remote support services for 100,000 users and 80,000 managed devices across 240 locations worldwide. Now, in engineering, we are seeing strong interest for AI in the automotive and manufacturing industries in particular. Clients in these industries want AI to increase productivity and the R&D process and accelerate new product development.

With Wipro Enterprise Featuring, we are helping clients accelerate adoption. We are leveraging Wipro's Gen AI framework and studio to develop key assets at all levels of the AI stack, including models, platforms, solutions. We will help clients with model development, performance, privacy and of course compliance.

We're also building governance frameworks around responsible, sustainable and ethical AI development. In fact, we are working with a global healthcare insurer right now to develop a Gen AI-powered knowledge research solution to transform their contact center. The goal here is to improve patient experience and operational efficiency by cutting the time it takes to analyze healthcare plan documents and response time.

We've also developed a Gen AI-powered assistant for a Fortune 500 investments and insurance firm. This assistant improves quality and reduces the time spent in crafting personalized email campaigns. Early results show very tangible growth in click-through conversion rate.

Additionally to those examples, I would say that expanding our relationship with strategic partners is a critical part of our ai360 strategy. During the past quarter, we collaborated with NVIDIA to help healthcare companies build AI-driven strategies, products and services. This partnership with NVIDIA is a great differentiator for us, given our domain expertise in the healthcare sector.

We are also expanding our 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. To do all this in a consistent, innovative and scalable fashion, we are preparing our workforce. We have now 210,000 Wiproites who have been trained on AI 101 skills.

We have now rolled out persona-based learning pathways for different roles and functions. Our goal is to actually ensure that everyone at Wipro has the skills to fully leverage AI in their everyday work and for AI-related client projects. We are accelerating Gen AI adoption internally as well by integrating the technology across our entire portfolio of platforms.

This is resulting in quality and productivity improvements across HR, marketing, sales, operations, finance, as well as software development and quality engineering and testing. Our investments in our ai360 ecosystem, combined with the strategic value our consulting business brings to clients, is the reason we are increasingly the preferred partner for our clients. So, we



are confident that we have the right vision, we have the right strategy and the right leadership to continue to grow and keep us competitive, resilient and ambitious.

On to our guidance now for the next quarter. We are guiding for a sequential growth of minus 1.5% to plus 0.5% in constant currency terms. We expect margins to stay range-bound like in the last few quarters. Now, as the market starts to turn around on the back of our transformation and efficiency play, we expect to see improvements in the coming quarters.

With that, I'll turn it over to you, Amit, for your comments.

Amit Choudhary:

Thank you, Thierry. Hello, everyone. I will cover some key areas of business transformation and focus programs that have helped us maintain margins despite the current demand environment.

On the delivery excellence front, our top priority is to deliver best-in-class solutions for our clients. We now consistently leverage our four global business line model to create the best possible ecosystem to build talent and deliver innovative solutions to our clients. This is being supplemented by strong delivery governance, to investing in a better program management, by building the delivery leadership cadre, through focused training interventions, AI-based assessments, and skilling for emerging technology trends.

We have a dedicated AI delivery council to identify opportunities to infuse AI into our delivery activities. Our account delivery executives are absolutely core to the client experience. We are enabling and empowering these delivery leaders to make decisions with a client-centric mindset.

They are driving initiatives and solution offerings with an AI-first and a one Wipro approach. Another area of work has been the restructuring of our low-margin businesses. Thierry talked about it briefly, especially in the context of our improved performance in APMEA.

Low-margin businesses are being reduced steadily through a multi-pronged action plan. Moving on to the operational excellence side, Thierry has spoken of how skill is our biggest currency. We are working on an end-to-end process to provide the right skill at the right time, at the right cost, in the right place.

We are doing this through an improved forecasting process, proactive skilling through account academies, pyramid optimization, improving our talent supply chain through an AI-powered talent marketplace, effort optimization, automation, and strong change management. We are reducing operating costs and optimizing our organizational design across all units and geographies, which is building an agile Wipro better suited in this dynamic market.

We are heading towards more and more AI-based automation internally, resulting in more productivity and better efficiency. Thierry talked about how we are taking AI-led solutions to our clients. We have a similar rigor for internal-facing AI applications, like the AI-powered talent marketplace, persona-based learning pathways for sales and business teams, developers, engineers and architects. We are using AI for simplification of employee user experience as well.



We are aligning our operational structure, skilling academies and Gen AI capabilities to market demand, client expectations and also to the evolving process landscape inside Wipro. We are one of the biggest customers of our ai360 ecosystem. These transformation programs and margin expansion initiatives are delivering results. Our goals remain profitable growth, delivery excellence, and internal capability development, all leading towards sustainable success.

Now I will hand it over to Aparna.

Aparna Iyer:

Good evening, everybody. Wish you all a very Happy New Year. Let me highlight to you our financial performance for the quarter ended December 31, 2023. Following a quarter of strong execution, our revenue is at the top end of the guidance range. In constant currency terms, revenue declined 1.7% sequentially.

In terms of margins, as we had called out last quarter, we had steep challenges on the backdrop of a weak demand environment, seasonal furloughs as well as salary increases for our employees effective 1st December. I'm pleased to share with you that our margins have remained resilient as we executed on 3 counts: one, maximizing our revenue performance; two, realizing savings from structural improvements of pyramids and fixed price productivity; and three, reducing discretionary spend.

On a year-to-date basis, we've improved our margins by over 60 basis points. We worked on rationalizing all aspects of working capital. As a result, in Q3, we have delivered an operating cash flows of \$576 million. This is 177% of our net income and highest in the last 5 quarters. Our gross cash was at \$4.6 billion and net cash was at \$2.7 billion, both increased year-on-year, despite having completed our largest buyback in July.

Speaking of capital allocation, our Board of Directors have declared an interim dividend of INR1 per equity share. Our net income for the quarter is at INR26.9 billion, which is an increase of 1.8% quarter-on-quarter. Our EPS has increased by 2% on quarter-on-quarter basis. Despite a weak demand environment, it is heartening to note that on a year-to-date basis, our EPS has improved by 2.2%.

Our EPS for Q3 and year-to-date includes a charge that we have taken in our P&L on account of restructuring exercise that we had undergone during the year. I'd like to confirm that we have completed the restructuring that we wanted to do and do not anticipate such charges henceforth. In terms of other important metrics, our ETR is at 24%, which is in line with what we delivered in Q2. Our hedges continue to be in line with our policy and was at \$3.4 billion.

Finally, I would like to summarize the guidance for Q4, as stated by Thierry. We expect revenue from IT Services business segment to be in the range of \$2.615 billion to \$2.669 billion. This translates to a sequential guidance of minus 1.5% to a plus 0.5% in constant currency terms.

With that, we'll be happy to take questions.

Moderator:

Thank you very much. We will now begin the question-and-answer session. We have our first question from the line of Moshe Katri from Wedbush Securities. Please go ahead.

Moshe Katri:

Thank you and congrats on a strong result. Happy New Year. Thierry, 2 questions for you. There's clearly a lot of excitement and bullishness in the market about the prospects for the industry for the next 6 to 12 months. From your perspective, looking at visibility in the pipeline, do you feel that we're headed towards that inflection point? Maybe you can talk about that.

And then the second question is on Capco. Clearly, you have a very unique asset there. Maybe you can remind us, maybe talk about the metrics. The headcount at Capco, you said that the bookings were pretty strong. Talk a bit about the nature of the work and what sort of client conversations you're having when you're kind of pitching Capco. Thanks a lot.

Thierry Delaporte:

Moshe, thank you for your question. Let me try to address them. The first one is the outlook. Let me rephrase a little bit your comment on the outlook for the service industry. Let me tell you what we see. What we've seen is that, first of all, over the last few quarters, it has been a market unusually, I would say, slow and exposed to uncertainty.

I mean, it was visible in some industries, in particular financial services. We've seen it with banks reducing their spend, discretionary spend, with technologies who typically were significant technology spenders before, and other industries as well.

Let's be clear, Moshe. The market has not fundamentally changed in the last weeks. What we are seeing is, I would say, we are seeing green shoots. We are seeing a certain form of stabilization and, in some ways, some pickup in discretionary spend.

That's what we are seeing. And I think we are trying to be cautious in our optimism because we want to continue to see more about it, right? And you know that typically in January, February, beginning of calendar year, are the times where, through our interactions with our clients, we get a better feel for what will be their budget and what will be their priorities.

So what I would say is, a little early to tell for the next year or the year soon to start for us, but I would say a little bit of green shoots. We've seen, hence, the ability to hit the top of the guidance. One element of -- major of this improvement is coming from the performance of our consulting business, and in particular of our Capco business.

Precisely in this industry, financial services, that has seen one of the most steep reductions in discretionary spend in the previous quarters, the performance of the team has been really solid in bookings during the quarter. That's why we report and share it with you openly. I was the first one to recognize that the choice of our strategic decision to invest in consulting was absolutely critical to our strategy, essential, key.

But we also knew that those are the businesses that typically are the first ones to slow down when there is a slowdown in the market. They are also usually among the first ones to bounce back. Let's just say, it's been a strong performance this quarter and it gives us good optimism for the quarters to come.

You asked about the type of business. Capco is more on the business side and it is on the IT side, but it's also on the IT side. That's the strength of Capco. And it's also because Capco have been working together with Wipro – with our clients. And therefore, it really goes from all advisory

discussions, compliance, all the way to driving transformation, large-scale transformation to technology implementation, including AI, Gen AI programs.

Thierry Delaporte: So, I hope I answered your question, Moshe.

Moshe Katri: Yes, thank you very much.

Moderator: Thank you. We have our next question from the line of Girish Pai from Nirmal Bang Equities. Please go ahead.

Girish Pai: Thanks for the opportunity. I want to go back to the Capco situation. You said that there was double-digit growth in order bookings in Capco. Can you tell us how material the order bookings are? Because for the quarter, you talked about \$3.8 billion as order inflow. How much of that would have come from Capco? And if you were to compare the order inflow for Capco in the December quarter, how does this compare with the all-time high order inflow number that Capco had post acquisition? That's my first question.

Thierry Delaporte: So, Girish, a couple of comments. One, we are not necessarily commenting on specifics of every brick of our organization. Okay? So, I'll keep that in mind. Second, I would say the performance of Capco is material for the organization, right? So, in good and bad times, Capco is a key strategic part of our organization. It's the reality.

Third, difficult to compare or have a meaningful comparison with when we acquired them because between the day we acquired them and now, Capco has grown tremendously. So, it's a different business and certainly business has changed. So, not necessarily able to relate to that. I think, let's put it that way. There has been a period where Capco has grown very rapidly and was driving growth for the entire organization.

I mean, leading growth, I would say, because everybody was growing. Then, in the time of slowdown, Capco has been a little more exposed. And today, we are seeing Capco showing signs of bounce back.

Girish Pai: Couple of follow-up questions on Capco. Was the growth in order book broad-based across your various BFSI clients or was it very specific to pockets within BFSI? That's question number one. Second question is, for \$1 of consulting, what is a typical downstream dollars that you kind of get from Capco?

Thierry Delaporte: That's -- So, the first question. So the first question I would say is, the growth is broad-based. It's not like there's been a one account bump or anything. It's broad-based. So, your first question is, here is my answer. The second one is, what we call the pull-through, right? Consulting should lead to -- It's not always easy to track, but you can expect easily 5x to 6x the consulting business.

That's what we are seeing with a lot of the projects we sign. And then, the reason why it's difficult to answer, Girish, is because there's an evolution of an account development strategy over time. And so, when you look at the cycle, a life cycle of an account development, there will be a time where there will be a larger component of consulting.



In some moment, there's going to be a smaller versus the different type of services. And that's -- we are observing this. But the pull-through is significant, that's for sure.

Girish Pai: Okay, thank you.

Moderator: Thank you. We have our next question from the line of Sudheer Guntupalli from Kotak Mahindra Asset Management. Please go ahead.

Sudheer Guntupalli: Yes, thanks. Hi, Thierry. Just one question. So, growth in Q3 ended up towards the higher end of our guidance band, and you're calling out green shoots of recovery in consulting segment. Historically, March quarter has not been so bad for us in terms of seasonality. And after multiple quarters of revenue weakness, our base looks mathematically favourable.

So, in that backdrop, I'm a little perplexed on how to reconcile the lower end of our guidance band at around 1.5% decline. So, are we being a little conservative here to keep buffer for any potential shocks? Or is there any revenue impact due to the restructuring of the low margin business that we spoke about?

Thierry Delaporte: Sudheer, this is the nature of our guidance, to give a bracket so that they are -- You know, because the reality is that we are still in a market where things are happening up and down. And there's -- We need to see how this quarter turns. But I think this guidance is sharing a, I would say, cautious level of optimism.

Sudheer Guntupalli: Got it, Thierry. No, I was just surprised as to the lower end here implies the same kind of number that we did in December quarter, which is typically very weak seasonally. And this time around, almost everybody is seeing higher than expected furloughs. So, I was just trying to understand how you arrived at that base case scenario. Is there anything specific that you're looking at or just the wide band that you wanted to keep?

Thierry Delaporte: Well, if I'm not wrong, Sudheer, actually the lower end of our guidance equals the top end of the guidance of the previous quarter. So, it shows a trend.

Sudheer Guntupalli: Got it. Thank you so much. All the best.

Thierry Delaporte: Thank you.

Moderator: Thank you. We have a next question from the line of Abhishek Kumar from JM Financial. Please go ahead.

Abhishek Kumar: Hi, thanks for taking my question. Thierry last few quarters, our growth has been challenged by some of the project cancellations, leakages, etcetera. Now, as you say, there are signs of stabilization. Is the leakage reduced to a level where the incoming revenue from all the deals we have won has started to exceed what is leaking out and therefore, incrementally, there should be growth? Is that kind of the right understanding?

Thierry Delaporte: You know, if we look at our performance on bookings, therefore our ability to close deals in the market, it continues to be rather good. So, the sales performance has never stopped to be pretty good. I mean, the performance for the last three quarters, and we know that through those



performance in sales, in particular with significant volume of large yields, this will definitely increase our backlog for the quarters to come.

What was hurting our growth was the discretionary spend. So, typically the smaller type of projects, but which in large volume was contributing to revenue growth. In this context, that's why you've seen that indeed we've not been able to show growth over the last quarters. We are seeing a little bit of a -- probably a significant, I would say, and I don't know how to say it, either an end of the discretionary spend or actually a slight pick-up of the discretionary spend.

But that's where we are seeing a little bit of inversion of the trend for sure.

Abhishek Kumar: Yes, that's helpful. And maybe the next question is on margin, maybe on the medium term. We have done a tremendous job in protecting our margin despite revenue erosion. So, as growth comes back, how are we looking at or how should we look at margins over the medium term? Should we go back to maybe pre-Capco kind of margin levels? Any colour on margin trajectory over the medium term? Thank you.

Thierry Delaporte: So, I'll reflect a little bit on your question and then I'll ask Aparna to build on or to take this point more specifically. What I would say is that for sure, it was important to us to show that through our actions around efficiency, productivity, automation, process improvements, all of that deep, deep activity inside the organization, the objective was to build a certain level of resilience of our margin profile. And indeed we have launched these actions a few years ago at a time where we didn't know the market would slow down.

Actually, this market slowdown has been a proof point that our resiliency has improved tremendously over the last quarters. Indeed, you say it, despite the slowdowns, despite, the lack of growth, despite, salary increase, MSI to our employees, we've been able to hold our margin. So, it gives us certainly a certain level of confidence that with the growth, we'll be able to imagine expansion. Aparna?

Aparna Iyer: Yes, you know, to just add to what you said, Thierry, that when the growth returns, obviously you will see an uptick in the margins. But we also need to remind ourselves that, we need to also invest for growth. And that will also remain a key agenda for us. There are areas of AI we need to continue to invest in our people, in processes. And therefore, yes, there is an expansion possible with returning growth, but with investments for growth.

Abhishek Kumar: Sure. Thank you and good luck.

Thierry Delaporte: Thank you.

Aparna Iyer: Thank you.

Moderator: Thank you. We'll take our next question from the line of Manik Taneja from Axis Capital. Please go ahead. Mr. Taneja, please unmute your line. Since there is no response, we'll move on to the next question from the line of Dipesh from Emkay Global. Please go ahead.

Dipesh:

Yes, thanks for the opportunity. Two questions. First, about in your prepared remark, you indicated E&U, where demand remains healthy. But if I look at our performance for the last couple of quarters, E&U remains weak, at least from a sequential growth perspective. And E&U, where we used to have significant capability compared to some of our peers. So if you can provide some sense about, and most of your peers so far indicated E&U is one of the resilient verticals from a demand perspective.

If you can provide some sense, how one should look at the demand trajectory for E&U verticals. And second is on manufacturing. Now, manufacturing remains weak for some time. And otherwise, manufacturing is showing a strong demand direction. So if you help us understand steps you're taking to expand our capability, landscaping, manufacturing, and how one should look at it from a medium-term perspective? Thank you.

Thierry Delaporte:

Okay, understood. Thank you, Dipesh. So, first of all, I always caution a little bit any conclusion, too rapidly drawn by, looking at a Q-on-Q performance in a sector. Because sometimes, it just, happens that in an account or in a geography, one event is slightly impacting the picture. What I would say is looking at E&U and manufacturing. So E&U is actually a reasonably good market.

It's a place where, there's significant investment, whether it's on the engineering side, on the IT side. Significant investment made on the AI, Gen AI as well. So, that's a market where, we are expecting to see growth for us.

Manufacturing, you said it, it's been mixed over the last few quarters. But there's particularly, for example, if I look at automotive, it is an area where there's significant investments. We are really making significant inroads in this industry in particular through our investments, whether it's on -- around the car cloud business or whether it's on, autonomous, you know, automation and so on. There's a lot that we've been doing and we will see growth over the next quarters for sure.

Dipesh:

Okay, I'm looking. Yes, sorry. I'm looking from slightly medium-term perspective. Let's say manufacturing, if you look at from size perspective, for us it is 6%-7% adjusted revenue. Now, 6%-7%, whether you believe it is reflective of the market opportunity or you think it will change over the next three, five years? And if it is likely to change, which area we are investing to drive that change?

Thierry Delaporte:

You know, you ask me now to look at the crystal ball, right, and tell you what's going to be the growth in the next four years in this industry. It's hard to tell. I can tell you that I certainly want us to invest in the Energy and Utilities as well as in the manufacturing sectors. Those are two key sectors for Wipro. And we have, big ambitions. We are working with large clients and will continue to do so.

Dipesh:

Thanks.

Moderator:

Thank you. We have a question from the line of Anmol Garg from DAM Capital. Please go ahead.



Anmol Garg:

Hi, thanks for the opportunity. So I have a couple of questions. Firstly, just wanted to understand, that when can we start to expect the next headcount addition? So now that we're expecting growth to come back, maybe in the medium term, can we expect that we add supply from the next quarter?

Thierry Delaporte:

So, Tob, you want to take that one?

Management:

Yes. So, look at the entire supply chain. Today, a low attrition, a headspace for higher utilization. We have enough talent pool available. And for certain specific skills which we require, we'll continue to hire. So the current environment, we feel that it's from supply will not be a constraint. As demand picks up for the quarters, we'll definitely look at hiring in more bigger numbers.

Anmol Garg:

Sure. And secondly, if you can indicate how has been the trends and deal wins in terms of the net new versus renewals?

Thierry Delaporte:

Net new versus renewals. So we are not communicating this information. But what I can say is that if we look at the large deals, actually, the majority is net new.

Anmol Garg:

Sure. Thanks. That's it from my end.

Moderator:

Thank you. Ladies and gentlemen, that was the last question for today. I would now like to hand the conference back to Mr. Dipak Bohra for closing comments. Over to you, sir.

Dipak Bohra:

Thank you all for joining the call. If you have any further questions, please feel free to reach out to the investor relations team. Have a nice day.

Moderator:

Thank you. On behalf of Wipro Limited, that concludes this conference. Thank you for joining us. And you may now disconnect your lines.