"Wipro Limited Q3 FY'26 Earnings Conference Call"

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MANAGEMENT: **MR. SRINI PALLIA – CHIEF EXECUTIVE OFFICER & MANAGING DIRECTOR, WIPRO LIMITED**
MS. APARNA IYER – CHIEF FINANCIAL OFFICER, WIPRO LIMITED
MR. SAURABH GOVIL – CHIEF HUMAN RESOURCES OFFICER, WIPRO LIMITED
MR. HARI SHETTY – CHIEF STRATEGIST AND TECHNOLOGY OFFICER, WIPRO LIMITED
MR. ABHISHEK JAIN – VICE PRESIDENT (CORPORATE TREASURER & HEAD OF INVESTOR RELATIONS), WIPRO LIMITED

Moderator: Ladies and gentlemen, good day and welcome to Wipro Limited Q3 FY'26 Earnings Conference 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 "*" and then "0" on your touchtone phone. Please note that this conference is being recorded and the duration for today's call will be for 45 minutes.

I now hand the conference over to Mr. Abhishek Jain – Vice President (Corporate Treasurer & Head of Investor Relations). Thank you, and over to you, sir.

Abhishek Jain: Thank you, Yashashri. Warm welcome to our Q3 FY '26 Earnings Call.

We will begin the call with the "Business Highlights and Overview" by Srinivas Pallia – our Chief Executive Officer and Managing Director, followed by "Updates on Financial Overview" by our CFO – Aparna Iyer. We also have CHRO – Saurabh Govil and our Chief Strategist and Technology Officer – Hari Shetty on this call. Afterwards, the Operator will open the bridge for Q&A with our Management Team.

Before Srini starts, let me draw your kind attention to the fact that during this call, we may make certain forward-looking statements within the meaning of Private Securities Litigation Reform Act 1995. These statements are based on Management's 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 statements 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.

With that, I would like to turn over the call to Srini.

Srini Pallia: Thank you, Abhishek. Good evening and thank you for joining us today. A very happy new year to you.

Let me start with a broader environment before walking you through our quarterly performance and how we are positioning Wipro for an AI-first world:

Across our client landscape, one thing is clear. Organizations are reshaping priorities as AI influences how they plan, invest, and operate. In fact, AI is now a standing board-level mandate led by CEOs who recognize its ability to transform business models, unlock productivity, and create lasting competitive advantage.

We are also seeing the same themes continue from past quarters in our deal pipeline. Cost optimization, vendor consolidation, and a clear shift towards AI-led transformation. In Quarter 3, we also marked two important milestones for Wipro. In December, we completed 80 years as a company. And in October, we celebrated 25 years of being listed on the New York Stock Exchange. These milestones reflect a legacy of strong governance, values, and integrity, a foundation of trust that continues to differentiate us with our clients, partners, and investors.

Turning to Quarter 3 Performance:

Our IT Services sequential revenue at $2.64 billion grew 1.4% on a constant currency basis. Excluding HARMAN DTS acquisition, revenue grew 0.6% in constant currency terms. Growth was broad-based with few of our four markets, and four of our five sectors reporting sequential gains.

Americas 1 delivered sequential and year-on-year growth driven by strong performance in Healthcare, Consumer, and LATAM. Americas 2 saw a sequential decline. Europe grew sequentially in Quarter 3, led by ramp-up of the earlier announced mega deal.

We are also seeing good traction in the UK and Western Europe. APMEA grew sequentially and year-on-year, led by India, Middle East, and Southeast Asia. BFSI continues to show strong traction with ramp-ups and new wins.

Capco revenue was impacted by furloughs and remained flat year-on-year. Our operating margins at 17.6% expanded 0.4% over adjusted Quarter 2 margin, and 0.1% year-on-year. We closed $3.3 billion in total contract value and $871 million in large deal bookings.

Last quarter, I introduced Wipro Intelligence. It is a unified approach to delivering AI-powered transformation across industries. This approach is anchored on three strategic pillars:

- First, industry platforms and solutions. We are building consulting-led AI solutions across sectors. For example, platforms like Payer AI in Healthcare, NetOxygen for lending, and AutoCortex for automotive. These solutions help streamline operation, improve customer outcomes and open up new avenues for growth.
- Second, our delivery platforms accelerate AI adoption at scale. WINGS, part of our Wipro Intelligence brings AI into the heart of operation from application management to infrastructure support and business process operation. WeGA adds AI-driven capabilities

across the development lifecycle from vibe coding to model tuning and data pipeline. Together, these platforms help our clients modernize faster and operate smarter.

- Third, the Wipro Innovation Network. This connects our labs with partners, startups, universities and deep tech talent around the world. This ecosystem helps us explore new technologies and build solutions for the future. We launched innovation labs in three cities in the U.S., Australia and the Middle East, expanding our network, growing our global footprint and strengthening our role as a trusted innovation partner. We are also partnering with client GCCs to drive transformation and turn their cost centers into high-impact innovation hubs.

Let me now share two examples of large deal wins that we had leveraging Wipro Intelligence.

- First, a leading global education provider in the UK, which is expanding rapidly across markets, has chosen us as its strategic partner for a multi-year transformation. The goal is to build a single, secure, intelligent operating model that can scale with their growth and improve stakeholder experience. Using WINGS, we will standardize core processes, embed automation and AI-driven insights, and optimize costs through a global delivery model.
- Second, a leading US-based fitness technology company has selected Wipro for a multi-year transformation to accelerate its shift to a subscription-based wellness model and support global expansion. We will use both WINGS and WeGA, to embed AI and automation across IT infrastructure and core functions, driving efficiency, productivity, growth, and better customer experiences. These engagements highlight a clear trend. Clients are bringing us in much earlier and recognizing the step change in the way we deliver and innovate.

I would now like to update you on HARMAN DTS:

First, a warm welcome to all HARMAN DTS employees joining us. With the acquisition now complete, we have added engineering and AI capabilities that truly complement what we do. This strengthens our engineering global business line and helps us accelerate AI-driven product innovation for clients. The integration also opens new regions and high-growth industries and allows us to take on larger, more complex transformation programs. As our teams come together, we look forward to entering new markets, building deeper client relationships, and turning innovation into long-term value.

Finally, guidance for Quarter 4:

In Quarter 4, we are projecting sequential IT Services revenue growth of 0% to 2.0% in constant currency. With that, I will hand it over to Aparna for the detailed financials. Thank you. Over to you, Aparna.

Aparna Iyer: Thank you, Srini. Good evening, ladies and gentlemen, and wish you all a very, very Happy New Year.

Let me share a quick update on the financial performance:

Our IT Services revenue for Quarter 3 grew 1.4% sequentially in constant currency terms and 1.2% sequentially in reported currency. Revenue grew 0.2% year-on-year in reported terms while declining 1.2% year-on-year in constant currency terms. Our constant currency revenue growth numbers included 0.8% as contribution from the HARMAN DTS acquisition that was closed in Quarter 3, '26. Our operating margin for the quarter was 17.6%, an expansion of 40 basis points over the adjusted operating margin for Q2 and 10 basis points improvement on a year-on-year basis. I would also like to highlight that this is one of our best margin performance in the last 7 quarters. As we move to Q4, we will need to factor for incremental dilution of HARMAN DTS. That said, our endeavor as always will be to maintain the margins in a similar band as in the last few quarters. Adjusted net income for the quarter was INR 33.6 billion and adjusted EPS for the quarter was INR 3.21, an increase of 3.5% quarter-on-quarter and flat year-on-year.

Moving on to our strategic market unit and sector performance, all the numbers I will share will be in constant currency:

Americas grew 1.8% sequentially and grew 2.8% on a year-on-year basis. Americas 2 declined 0.8% sequentially and 5.2% on a year-on-year basis. Europe grew 3.3% sequentially and declined 4.6% on a year-on-year basis. APMEA grew 1.7% sequentially and 6.6% on a year-on-year basis. From a sector standpoint, BFSI grew 2.6% sequentially and 0.4% year-on-year. Health grew 4.2% sequentially and 1% year-on-year. Consumer grew 0.7% sequentially while declining 5.7% year-on-year. Tech and Comm grew 4.2% sequentially and 3.5% on year-on-year terms. EMR declined 4.9% sequentially and 5.8% year-on-year. To give an added color, Capco was flat on a year-on-year basis in Q3.

Before I move on to other financial parameters, I would like to draw your attention to two specific one-off charges that we took in our P&L that also impacted our net income. These charges are not included in our IT Services segment margin. First is an increase of INR 302 crores towards gratuity expenses due to implementation of the new labor code. Second is regarding the restructuring exercise that was completed during the quarter, and its impact is about INR 263 crores. I would like to confirm that we have not completed the restructuring we wanted to do and do not anticipate any further charges. Our operating cash flow continued to be higher than the net income and stood at 135% of net income for Q3. Our gross cash including investments, is now at $6.5 billion. Our net other income in Q3 grew 15% sequentially. Accounting yield for the average investments held in India was at 7.2%. Our effective tax rate at 23.9% for Q3'26 was better than the same quarter last year of 24.4%.

In terms of guidance, we would like to reiterate what was stated by Srini. We expect our revenue from the IT Services Business Segment to be in the range of $2.635 billion to $2.688 billion. This translates to a sequential guidance of 0-2% in constant currency terms. Our guidance includes the incremental 2 months of revenue from HARMAN DTL. It is impacted by fewer working days in Q4 and certain delayed ramp-ups in some of the large deals that we won earlier in the year.

Lastly, I would like to share with you that in our recently concluded board meeting, the Board of Directors has declared an interim dividend of INR 6 per share. With this payout, the cash distributed to our shareholders during the current financial year will be in excess of $1.3 billion. And we will be able to significantly exceed the minimum threshold that we had laid out in our capital allocation policy for the block-ending financial year 2026. With that, I am going to ask Yashashri to open it up for Q&A.

Moderator: Thank you very much. Ladies and gentlemen, we will now begin the question-and-answer session. We will take our first question from the line of Nitin Padmanabhan from Investec. Please go ahead.

Nitin Padmanabhan: Hello, good evening. Wishing you a very happy New Year. I had a couple of questions. So, one is, I think this quarter, we lost almost $24 million of revenue in energy manufacturing resources. I just wanted your thoughts on that vertical and how do you see the deal pipeline there? When do you think this can sort of turn around? The second is, you alluded to some delays in ramp-ups impacting growth for next quarter. So, if you could give some color there. I presume this is related to the last deal. By when do you see this sort of beginning to ramp up going forward? And third, when are we expecting to have the wage hike cycle? Those are the three. Thank you.

Aparna Iyer: So, Nitin, I will take your second question. And then on EMR, I will ask Srini to answer. And on attrition, we have Saurabh here. He can take that on salary hike. Nitin, in terms of a large deal conversion, each deal is different. One of the significant deal wins we had in Q4 of the last financial year, Phoenix, is now fully ramped up and its revenues is fully realized and it's part of our Quarter 3 performance. So, that's on track. Some of the other deals, given the nature of the deals that we have won, we have earlier also highlighted that these deals will take a few quarters to ramp up. So, it's a question of it coming in through the course of the next few quarters. And therefore, we have called it out saying that in Q4, we may not be able to realize the full impact and therefore, we are calling it out. The other lever that is playing out is typically furloughs do come back, but Q4 continues to have lower working days, which is not really, this is in some sense, offsetting for those furloughs. And therefore, we have given you the guidance we have. But these deals should continue to convert. Each deal is different. We are confident it will take some time, but it will ramp up. Sriniv, you want to talk on EMR?

Srini Pallia: Thanks, Aparna. Happy New Year, Nitin. As far as EMR is concerned, our performance in this sector clearly has been impacted based on the macroeconomic uncertainty we have seen, some during tariff related and also some disrupted supply chain issues that we faced. However, our pipeline continues to remain strong in the sector. And essentially, the significant pipeline is around either vendor consolidation or cost takeout. And if I were to give a little bit of color to specific segments, we have good momentum in energy in both Americas and Europe. And as far as manufacturing is concerned, we are seeing that in Europe. Also, our Capco business, which is also seeing some traction on the energy consulting side. So net-net that's the situation that we have right now with EMR, Nitin.

Saurabh Govil: In salary hikes, we will take a call in the next few weeks in terms of when should we be doing it. Our intention is to look at it this quarter, but we will confirm it during the next couple of weeks.

Nitin Padmanabhan: Perfect. That's helpful. Just one clarification. Do you think EMR should start getting back to growth sometime next year? That's the last question from my end. Thank you.

Srini Pallia: So as far as EMR is concerned, Nitin, I will just repeat that. One is the pipeline. Like I said, specifically, we have good momentum on the pipeline in energy in both Americas and Europe. And as far as manufacturing is concerned, it's in Europe. I think our focus right now is to convert these deals and then that should drive the revenue growth for us. And we are just staying focused on winning some of those deals, Nitin.

Nitin Padmanabhan: Perfect. Very helpful. Thank you so much and all the very best.

Moderator: Thank you. Next question is from the line of Vibhor Singhal from Nuvama Equities. Please go ahead.

Vibhor Singhal: Hi. Thanks for taking my question and congrats on a solid performance. So Srini, my question was mainly on basically the Consumer vertical. You mentioned about the challenges in the EMR vertical, banking has been doing well for us. In the Consumer vertical, the growth was set in this quarter. We continue to decline on a Y-on-Y basis. How do you see the outlook in this vertical? We know this vertical also has been impacted a lot by the tariff uncertainty that has basically impacted the producers. But in your conversation with the clients in terms of our interactions in the pipeline, do you see it turning the corner in coming quarters or do you think it will be sometime before some clarity on this vertical?

Srini Pallia: Thanks, Vibhor. If you look at our consumer sector, clearly, if you recollect, I talked about it before as well that the tariffs had an impact on this and that has reflected in our numbers. And also, if you reflect there was a large SAP program which was put on hold last year by our customers. And again, the client is yet to reinitiate. And that is one of the things that is impacting our year-on-year performance as well in this particular thing, in this particular sector. However, the overall trend that we see right now is mixed here for us in consumer. Some of the wins we had earlier this year is slowly ramping up and that should support the growth in this sector. I do not have—from a Quarter 4 perspective, whatever growth we are seeing, that is baked into our forecast, Vibhor.

Vibhor Singhal: Got it. And similar thing on the basically, I know it is not that big a vertical, but I think both tech and Health vertical appear to be doing good. Any specific project ramp-up that we saw in this quarter which led to this growth or do you think it is a growth which we can sustain in the coming quarters as well?

Aparna Iyer: Sorry, which sector did you refer to, Vibhor?

Vibhor Singhal: Aparna, tech and the Healthcare vertical, both of them separately.

Aparna Iyer: You know, in some sense, in Healthcare, we have been consistently doing well. And we have had a sector both in our year-on-year performance. Seasonally, obviously, we have the open enrollment season that really does improve our Health performance in Q3. So, that is also added to the performance. In terms of our Tech & Comm, we continue to do well in some of our large technology players. And there is a little bit of the HARMAN acquisition numbers which is also reflected in the overall sector's performance. And I think Communications in general have done – has been better for Europe & APMEA. That is the color I can give you.

Vibhor Singhal: Perfect. That is really helpful. Aparna, just one last question from my side. You mentioned about the few headwinds in Q4 that you will be facing. And if I look at our guidance, it is 0.02% at the consol level. And if we were to, let us say, extrapolate the two-month incremental impact of HARMAN acquisition, the organic growth will probably fall somewhere between (-1.5%) to (+ 0.5%). Is that the right understanding? And is the reason for that very much as you mentioned in your opening remarks as well?

Aparna Iyer: You know, Vibhor, for some reason, we are not able to hear it clearly. Can you just load on your question?

Moderator: I am sorry. His line is disconnected. We will move on to the next question. Next question is from the line of Ravi Menon from Macquarie. Please go ahead.

Ravi Menon: Hi. Thanks for the opportunity. And congrats on a really strong margin performance this quarter. Now that you have come to sequential growth, even in a seasonally weak quarter, I am surprised that organically we seem to be hinting at slight decline, possibly at the lower end of our guidance next quarter. And Capco should also be coming out from the furloughs that it has had this quarter. So, could you talk a bit about that? And beyond that, do you think that sequential growth is possible looking at the pipeline and the slight improvement, possibly, if we have on the demand environment?

Aparna Iyer: I will ask Srini to talk through the demand environment. You know, we guide based on the visibility that we have at the start of the quarter. I have shared with you that some of the furloughs that typically does come back, have been partially offset by the lower working days that we are also seeing this year. And to that extent, we are seeing some softness continue. But that said, our endeavor would be to obviously execute the quarter better through the next 90 days.

Srini Pallia: If you look at it, there is no significant change in the demand environment, specifically the discretionary spend as the uncertainty continues. Second, January is the time when many of our customers will finalize their budgeting process. We will have a much better understanding and view of where they're going to spend. But having said that, if I look at the current pipeline that we have, a significant piece of this pipeline is around cost optimization and vendor consolidation, which are the key levers for our clients. And they are using this as a lever for savings, and they want to reinvest these savings into AI capabilities and also some of the advanced transformation projects that they want to do. For us, we believe this is an opportunity for us to capitalize on this and we will make strategic bets in each of these sectors and markets, continue to invest in our clients to do this. From a full year of visibility, like Aparna said, there is uncertainty in the market and customers continue to remain in wait and watch mode. At this stage, our guidance represents the best visibility we have and if there are any further updates, we will definitely share.

Ravi Menon: You talked about vendor consolidation and cost takeout and clients actually using those savings for transformation. Are they actually giving both to the same vendor or do they prefer to split that out? What's that you're seeing, at least in the wins that you have?

Srini Pallia: It's mixed. There are certain clients who are doing that and continuing with their current partners. And there are certain clients who are changing and there are certain clients who are increasing the scope and using multiple partners as well. So, it clearly varies from client to client.

Ravi Menon: One last question on the HARMAN DTS. Which segments do you think this really improves your possibility of win rates?

Srini Pallia: If I understand the question, how the HARMAN DTS acquisition will help us, right?

Ravi Menon: Correct. Which sectors do you expect the win rates to improve?

Srini Pallia: So, clearly, HARMAN brings in both design to manufacturing capabilities and AI-powered product innovation. In that context, clearly, the sweet spot for a combined unit is, especially the engineering global business plan that we have, is the Tech and Com sector. That's, I think, primarily the one where we see a significant opportunity. And the other three sectors I would pick are Health, Consumer and EMR.

Moderator: We will take our next question from the line of Sandeep Shah from Equirus Securities.

Sandeep Shah: The first question is, because of delay in ramp-up of deal wins of the last 2-3 Quarters, is it fair to assume if those ramps up in the 1st Quarter next year, then the seasonal softness which generally comes in the 1st Quarter may not be true next year?

Aparna Iyer: Sandeep, yes, in some sense, that will be the objective that we ramp up enough so that we can offset for some of the weakness that could arise. That said, we don't guide for Q1. But we would like to clarify that it's just delayed and some of this do take time to ramp up and confident that it will ramp up and we will keep you posted.

Sandeep Shah: Aparna, I wanted to understand the guidance on the margins which you said narrow band. Narrow band compared to Q3 margins or earlier range?

Aparna Iyer: Again, no, we don't guide for margins. You've seen our performance over the last 8 Quarters. We've consistently improved. I think, you know, all credit to the team, we have been fairly resilient on margins, and we will continue our endeavor to keep it. But that said, we will have to invest for growth and that's the number one priority. We've acquired DTS HARMAN and that will mean an incremental dilution to our margins that we will have to absorb. Two, we continue to chase and win large deals, and they come with a different margin profile. And these are very important investments we have to make and there will also be decisions that will have to be made on wage increases that Saurabh spoke of. A lot of moving parts. Our endeavor is going to be to make sure that we keep it in that band of 17% to 17.5%. If you recall, we had said that while we've stated that band with the acquisition, we will see pressure to that. Right now, we are continuing to hold that band, which itself is a positive. But like I said, we will have to take it quarter-to-quarter. There will be some quarters where we will have to invest in our people, in our deals, in our clients and for growth. So, we will make those trade-offs.

Sandeep Shah: Last couple of questions. The deal TCV in this quarter, both on large deal and total has been slightly softer versus very strong momentum in the earlier 3 Quarters. So, any reason where is it the client decision making being slowed down or it is the intense competitive pressure which has led to some decline in the win ratio?

Aparna Iyer: Typically, like I said, some of these deals, they tend to club. We are contesting a lot of large deals. They are in the cycle. We are hopeful of closing them. You will continue to see the momentum on large deal win at $1 billion or maybe, we are just shy of $100 million that has been the normal trajectory, obviously, in the first half, we had a few mega deal win. So, to be specific, we hope to win more. So, I wouldn't read into it in terms of slower decision-making cycle or competitive pressure. I would just say that they tend to lump up. We have a lot of good deals, and we will see the momentum pick up.

Sandeep Shah: A last question, Aparna, with a war chest of $6.1 billion, though we are distributing dividend. But is it fair to assume that buyback continues to remain one of the options in the mind to give this excess cash back to the shareholders?

Aparna Iyer: We have said that buyback will continue to be a means by which we will return cash to our shareholders. It's certainly an option on the table and we will consider it at an appropriate time.

Moderator: Next question is from the line of Kumar Rakesh from BNP Paribas.

Kumar Rakesh: I have just one question. Do you think given the kind of mix which you have both of vertical and the capability at Wipro, you would be able to get back in line with the industry average revenue growth or would it make sense to just slow down your margin, get to mid-teen sort of a margin, be able to better compete with some of your peers, may be mid-cap peers as well, or maybe acquire some of the companies to reset the mix? What's your thought on that?

Srini Pallia: Kumar, clearly, first, if you look at our inorganic strategy, it's very clearly aligned to the strategic priorities we called out. We constantly look for sectors and the market combination in terms of where we need to invest, where we need to acquire new capabilities. And if you look at specifically HARMAN DTS, clearly, it is giving us a combination of both, what I would call as capabilities and also a few new markets that they are already in. So we continue to look at opportunities for us, Kumar, as we continue to move forward.

Our strategy is both, growing our organic and inorganic and continue to invest in organic. And you are right, we do have cash. And as far as that is concerned, it is an opportunity for us to look at the market, scan the market and do the right investment that makes it a win-win for us.

Kumar Rakesh: Got it. Thanks a lot for that.

Moderator: Thank you. Next question is from the line of Rishi Jhunjhunwala from IIFL. Please go ahead.

Rishi Jhunjhunwala: Yes, thanks for the opportunity. Just wanted to understand, ex of HARMAN does not look like there would be much of a sequential growth in 4Q and 1Q. As we were discussing earlier in the call, historically has had some weak seasonality. I noticed a pretty sharp increase in our overall headcount in this quarter. So, just wanted to understand, given the outlook for the next couple of quarters, what is driving this? And how do we read that?

Srini Pallia: Headcount for this quarter is primarily driven from two things. One is the acquisition, DTS acquisition. And second is one of the large deals, Phoenix we had done, as well as rebadging, so, I think when we ramped-up the deal. So, that has been the reason for seeing the ramp-up in this quarter. Otherwise, from a hiring standpoint and supply side, I do not see a challenge. Attrition has been at 2% low for the quarter. It is trending the same in the next quarter.

We are going to go to the campuses again. We have taken a bit of a hiatus in this quarter, next quarter. So, from a supply side, relation is looking up. The net of the furlough, which we are, the net of the leave people have taken. So, we are fairly confident in the headcount supply side to manage the demand.

Rishi Jhunjhunwala: Understood, sir. The second question is, I just wanted to understand this restructuring cost that we have booked in our financials. Is it in the same nature as what we did in 1Q? And if not, if you can give some color around that?

Srini Pallia: The restructuring basically has pivoted on obsolete skillsets and family in two areas. One is in Europe, where we have tough labor laws and second is in Capco. These are the two big areas where we did that. Similar to what we have done in Q1.

Rishi Jhunjhunwala: Understood. And just last thing, there was a bookkeeping question. There is a spike in D&A in this quarter, any particular reason? And is that a normalized level going forward as well? Thank you.

Aparna Iyer: We have taken a provision for about full debt charge, and I think that has the line item that will show an increase that has in the usual course of business, you should see that go off starting next quarter.

Rishi Jhunjhunwala: Aparna, I was asking about depreciation and amortization.

Aparna Iyer: Okay. And typically, we do assess the intangibles every year. And based on the expected forecast, etc., sometimes we tend to accelerate such a amortization. In this quarter, we did accelerate some amortization towards one of the earlier acquisitions and that has reflected. And that should also normalize. However, we will have an increase of amortization charge coming in for the DTS HARMAN. So, yes, you should wait for the next quarter to get that more normalized in.

Rishi Jhunjhunwala: Sure. Got it. Thank you so much.

Aparna Iyer: Thank you.

Moderator: Thank you. Next question is from the line of Kawaljeet Saluja from Kotak Securities. Please go ahead.

Kawaljeet Saluja: Hi, Aparna. I have just a couple of questions for you. First is that at $6.5 billion, it seems that you have plenty of excess cash. So how do you intend to flush this excess cash out? Would it be through dividends or is buyback on the cards? If buyback is on the cards, then what are the considerations set required to move towards that path? That is the first question.

Aparna Iyer: Okay. You are right. We did note that we have been having excess cash and as a result of that, last year we had increased our capital allocation, and we had said that we would start increasing our dividend payouts. We did that, we paid out INR 6 in the last financial year. This year, we have almost paid INR 11 per share, which is about $1.3 billion, which nearly, account for like, if I had to just analyze our Y-T-D EPS, it was about 88% - 89% of that.

So at least what the increased dividend is doing is we are not adding to the excess cash and leaving enough for watches for whatever acquisitions and organic investments we need to make. Is buyback an option to still consider in terms of returning excess cash to shareholders? Indeed it is. And what are the considerations for that? We will have a discussion with the board on that and we will come back. Typically, considerations include, whether we have enough net cash available in order to pursue the investment we need. And we will keep the market posted, Kawal. But other statutory considerations are quite in the play for buyback.

Kawaljeet Saluja: Sorry, can you repeat that last part again? I missed it.

Aparna Iyer: So, I said, there are some statutory considerations that you cannot do a buyback within 12 months. If you cannot do it if there is a merger pending for NCLT, etc. None of that is, I mean, all of that is conducive, covered for us.

Kawaljeet Saluja: Okay. So let us say if you had to theoretically decide to do a buyback today, you could do that. Whereas in the past, there was an NCLT process or merger, which would have acted as an impediment.

Aparna Iyer: Yes.

Kawaljeet Saluja: There is no such impediment. I mean, you can do that as in when you feel, it is the right time. Is that the way to look at it?

Aparna Iyer: Yes. Absolutely, absolutely.

Kawaljeet Saluja: Noted. The second question is for you and Srini. Let us say, if those two mega deals ramp-ups were not delayed, then what would the guidance have been for the March quarter? Any way to detail it out, either quantitatively, which may be difficult or even qualitatively, that would be very helpful to understand the growth trajectory, yes.

Aparna Iyer: Obviously, we cannot talk about it quantitatively, Kawal. And qualitatively, like I have said, it is only delayed. These ramp-ups should happen, and each deal is different in its nature, right. For example, something like Phoenix, which was entirely net new and fully where there was a clear go-live date and readiness, we have been able to do that and that is fully into our revenue starting Q3. So that has played out perfectly to plan.

Right now, in some of the other larger deals, that mega deals that we could be winning in terms of vendor consolidation, these deals typically have both an element of renewal and new. Obviously, the renewal is fully in, and that continues. And we are not seeing any changes in terms of expectations. In case of the new, the element of new, some of these things are taking longer, either due to client situations where there could be some changes in the client environment that they are going through. And therefore, there is a little bit of a delay in terms of the timing of the ramp-up.

Or it could just be the nature of how it is going to play out, right? Because it will take six quarters, that is what I alluded to. So it is going to take that time. And we are hopeful that this will flow through in the coming quarters.

Kawaljeet Saluja: Noted. And thank you so much. All the best.

Aparna Iyer: Thank you. Thank you, Kawal.

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

Abhishek Jain: Yes. Thank you all for joining the call. Have a nice day. Thank you.

Moderator: Thank you, members of the management team. On behalf of Wipro Limited, that concludes this conference. Thank you for joining us. And you may now disconnect your lines.