"Zensar Technologies Limited Q4 Earnings Conference Call"

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MODERATOR:	**MR. MANIK TANEJA – AXIS CAPITAL LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to the Zensar Technologies Limited Q4 FY '24 Earnings Conference Call, hosted by Axis Capital Limited.

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 touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Manik Taneja from Axis Capital Limited. Thank you, and over to you, sir.

Manik Taneja: Thank you, Manoja. Good evening, everyone. On behalf of Axis Capital, I welcome you all to Zensar Technologies Q4 FY '24 Earnings Call.

We have with us Mr. Manish Tandon – CEO and Managing Director; Mr. Sachin Zute – Chief Financial Officer; and a few other members of the senior Management Team.

Before I hand over the call to Manish, I would like to highlight that the safe harbor statement of the second slide of the Earnings Presentation is assumed to be read and understood.

Over to you, Manish.

Manish Tandon: Thank you, Manik. Hello, good morning, good afternoon and good evening, everyone. Thank you for taking the time to join us today to discuss Zensar's Financial Results for the 4th Quarter of FY '24.

Along with Sachin and me, we have Vijayasimha – our Chief Operating Officer on the call; and also, Vivek Ranjan – our CHRO.

FY '24 has been a good year for us, with strong all-around performance around profitability, order booking, attrition and, most importantly, client satisfaction. We have made good strides towards our goal of building a world-class firm, focused on client-centricity, employee happiness, leveraging our Experience to Engineering to Engagement proposition.

As we have stated earlier, strategy execution was our focus for FY '24. Our investment in Service lines and verticals helped us with accelerated GTM, strengthened our partnerships and built sales rigor. A sharp focus on delivery excellence ensured that we delivered on our profitability goals. In Q4 of FY '24, we registered revenue of $148.1 million, a sequential Q-o-Q growth of 2.4% in reported currency and 2.0% in constant currency. For the full year, the company reported services revenue of $591.3 million, yearly growth of 1.0% in reported currency and 1.3% in constant currency. In this quarter, the PAT grew by 430 basis points on a year-on-year basis. LTM attrition further improved to 10.9% from 12.0% last quarter.

I am pleased to also announce that on a sequential quarter-on-quarter basis, we have registered growth across all our verticals. In constant currency terms on a Q-o-Q basis, our services revenues in Banking and Financial Services grew by 2.0%, Manufacturing and Consumer Services grew by 2.3% and even Hitech grew by 0.7% and our newest baby, Healthcare, by 3.5%. I'm also very proud of the fact that we have achieved the highest client satisfaction score in our history of 70. Just for context, just 2 years back, this score was 53. So, that is a Seventeen-percentage point increase over the last 2 years, which I think is very, very satisfying for all of us here.

With that, I will now invite Sachin, our Chief Financial Officer, to provide an update on critical financial data. Sachin?

Sachin Zute: Thank you, Manish. Good day, everyone, and thank you all for joining this call. In addition to Manish talking about the business, I will take you through some of the key "Financial Metrics" for the year and for the quarter ending March '24.

Services revenue for the Financial Year 2024 stood at $591.3 million, reflecting year-on-year growth of 1.3% in constant currency terms.

The reported revenue for the 4th Quarter of Financial Year 2024 is $148.1 million, reflecting growth of 2.4% sequentially.

In constant currency terms, the revenue growth for the quarter is 2.0% sequentially.

Gross margin for the quarter stood at 30.6%, drop of 50 basis points quarter-on-quarter. Decline was primarily due to:

- Reversal of 120 basis point benefit received in the last quarter on account of higher leave utilization and
- Increase in cost of delivery and other operational cost increase in travel, recruitment, et cetera, impacting the margin by 130 basis points,

which was partially offset by,

- The exchange impact of 10 basis points,
- Higher utilization and furlough reversal in the quarter, positively impacting the margin by 190 basis points.

SG&A has increased by 30 basis points quarter-on-quarter, including exchange impact of 10 basis points. We exited Q4 FY '24 at EBITDA of 16.5%.

Full-year EBITDA stood at 17.8%, which is an increase of 640 basis points year-on-year basically. Our EBITDA margin for the year remained well above our guided range.

Other income for the quarter increased primarily due to resizing and termination of some of our leased premises and one time impact due to settlement of pending adjustment pertaining to earlier acquisitions.

Our full year PAT stood at 13.6%. EPS for the year stood at Rs. 29.1, which has more than doubled from last year.

We stay focused on maintaining a resilient bottom line; at the same time, invest in the business for sustainable growth. We have put strategic framework on optimizing the operational metrics to enable organization in ensuring sustainable profitability within the guided range.

Order book for the quarter stood at $181.5 million, increase 8.4% from last quarter. Order book for the full year was $698 million, which is an increase of 22.0% year-on-year.

With our disciplined approach towards effective receivable and payable management, we have sustained and enhanced our working capital position, which has helped us to increase investable surplus. DSO for the quarter stood at 73 days improved by 2 days from the last quarter.

For the quarter, cash and cash equivalents, including investments, stood at $261.7 million, $13.3 million increase from last quarter and $60.2 million increase year-on-year. The effective tax rate for the year stood at 24.1% against 26.2% last year. The Board of Directors have recommended a final dividend of Rs. 7 per share for the financial year FY '24, subject to approval of shareholders. With this, total dividend payout, including interim dividend for the financial year FY '24, will be 450% of the face value.

With ever-growing importance of climate changes and sustainability, we continue to keep ESG at forefront in our strategy and operations. Effective January 2024, 98% of our total energy consumption in Pune campus is from green energy. The infrastructure retrofit project contributed the reduction of 1 lakh kilowatt energy units, resulting in carbon emission reduction thereof.

Before I hand over the call to my colleague Vijay, I would like to express my deep gratitude to investors, Board of Directors, RPG Group, my good friend, Manish, Vijay and all my ExCom colleagues for all the support and guidance they have provided to me over the last few years.

With that, now I invite Vijayasimha – our Chief Operating Officer, to provide an update on business operations. Thank you.

Vijayasimha A.: Thank you, Manish and Sachin. Greetings, everyone.

I will share details about our operational efficacy, service line performance and capability enrichment initiatives.

Operational efficiency - we are continuing our journey and making good progress on key imperatives like pyramid optimization, managing utilization in an optimal range, calibrated usage of subcontractors and managing our on-site mix.

Our utilization improved by 300 basis points sequentially and 230 basis points year-on-year. Rigor associated with accelerated fulfillment and capability engagement continued in Q4. We had a gross addition of 816 employees in the quarter. Our overall headcount increased by 124 compared to Q3. As Manish already pointed out, our voluntary attrition reduced to 10.9% in Q4, which is a 1.1% reduction compared to Q3.

Service lines - the offerings from our service lines continue to resonate well with our clients. Our service lines are collaborating with our industry services groups to fine-tune their offerings to meet specific business needs of clients in the various industry segments.

- The share of revenues of our service lines, that is advanced engineering services, data engineering and analytics, experience services and foundation services, increased to 52.7% in FY '24.

On a quarter-on-quarter basis, in reported terms,

- Experience services revenue grew by 9.1%,
- Application Services and Enterprise Applications (SaaS) grew by 6.9%.
- Foundation Services grew by 1.6%.
- Data Engineering &Analytics saw a decline of 6.8%.
- Advanced Engineering Services saw a decline of 7.5%.

We are continuing to make good progress on our talent transformation journey. In FY '24, we intensified our focus on proactive multiskilling through various learning interventions like Service Line academies, which enable multiskilling in specific technology areas; Domain academy, which enhanced the industry vertical business understanding; Role-specific programs, which enrich capabilities in program management, solution architecture, et cetera. These interventions enabled us to achieve a learning coverage of 98.6% in FY '24. In FY '24, the average learning hours per person was twice that of the corresponding number in FY '23. More than 50% of our colleagues are continuously expanding their AI competencies by leveraging the various programs from our AI academy.

With that, I now hand it back to Manish.

Manish Tandon: Thank you, Sachin and Vijay.

While the macroeconomic scenario continues to be uncertain, we are working closely with our clients and partnering with them to proactively identify and solve their industry-specific transformation challenges.

Our service line investments continue to increase the addressable spend. Strong leadership backed by 10,000 committed Zensarians helped us deliver our FY '24 results. We are confident that we will continue to remain a trusted partner, focused on client centricity and execution excellence.

With that, we can open the line for any questions.

Moderator: We will now begin the question-and-answer session. The first question is from the line of Nitin Padmanabhan from Investec.

Nitin Padmanabhan: Congratulations on a very all-rounded quarter. I have a few questions. The first is, if you contrast where we are today from the total order bookings and, let's say, definitive client situations, how would you sort of contrast it versus maybe even 6 months ago? Do you think we're in a better place and there is more sustainability on growth? So, that was the first one.

Also, if you could layer on top of that, how are you looking at Hitech as a segment overall? Do you think that from a declines perspective, that's behind us? Because this quarter obviously benefited from furlough recoveries. Do you think that's sort of behind us? And is there more clarity there?

And finally, I think on the depreciation front, some color on the drop there. I think I missed the opening commentary on that.

Manish Tandon: Thanks, Nitin. Thank you for the kind words. I will take the first question, which was around sustainability and 6 months versus today. Well, as you can see, our order bookings have increased quite a lot. And this incidentally is also a quarter where furloughs, at least in the initial parts, have continued. So, from a Zensar perspective, I am feeling much more confident than before that as long as we maintain our execution excellence, we will continue to try and drive both the top and bottom line.

Second question was on Hitech. I think you would have seen that Hitech, for the first time in last few quarters, has actually sequentially increased by *0.7%. And as you know, the carryover of furloughs that happened is primarily in Hitech.

We are hoping that the worst is behind us, but some of our clients themselves are in quite a bit of bother from a financial perspective themselves. And the overall Hitech industry is not doing too well. So, we are just hoping that the worst is behind us. Your third question was on depreciation, which I think Sachin can answer.

Sachin Zute: Thanks, Manish. Nitin, as you know, at the start of the year, we have clearly called out one of the lever of cost optimization for us, looking at our lease premises across the globe. So, what we have done, we have resized multiple facilities which we have across India and across U.S. So, given that those lease premises are no more with us, the impact of that can be seen in depreciation.

Apart from that, specifically for Q4, we have a lease termination benefit recorded in depreciation this quarter. But at the same time, we expect that the normalized depreciation going forward could continue to be in the range of $3.2 million to $3.5 million per quarter.

Nitin Padmanabhan: Sure. And just one thing which I missed is from of the deal wins that we have announced, the tenures are still sub 12 months? And do we have a large deal win within this number? It's a very solid number.

Sachin Zute: So, obviously, the tenure continues to be around the similar range what we have been historically talking about. We don't foresee any significant change, as far as tenure is concerned. And I think deal size continues to be in the comfort zone, where we have been operating.

Nitin Padmanabhan: Sure, perfect. That's very helpful. And Sachin, you will be missed. Thank you for all the guidance right through, and all the very best.

Sachin Zute: Thanks, Nitin.

Moderator: The next question is from the line of Sandeep Shah from Equirus Capital. Please go ahead.

Sandeep Shah: Congrats on a good execution, both on revenue and margin. Manish, just wanted to understand, with a robust order book for the full year, is it fair to assume our growth lag, which was there in FY 2024, may start declining or we may approach industry growth rates in FY '25 onwards? And then your vision to start leading the industry growth rate from FY '26, how confident are you in terms of those aspirations?

And Sachin, just wanted to understand, in the reported EBIT margin apart from the onetime lease benefit, if you can quantify, is there any other one-offs? And what is our margin guidance, going forward? Because we are, quarter after quarter, doing better than our margin aspiration.

Manish Tandon: Yeah, Sandeep, thank you. Thanks to you for the kind words. I think the question was around how we are doing. I mean, ultimately, it's a question of probability and confidence level, right? Nobody can say with certainty as to what will happen. But I can say that I am feeling more confident. And as an organization, we are feeling much more confident than what we were, say, a couple of quarters back. And all these are indicators that we track. I mean our customer satisfaction going up, our order book booking going up. For the first time, we are seeing sequential growth in all the verticals that we have. So, it does increase confidence, obviously. And the probability, at least in my mind, is higher that we will come very close to what we have set out to achieve.

Sachin Zute: As far as margins are concerned, whatever has been the bridge, has already been called out. From a FY '25 perspective, what we believe is, given the performance which we had in FY '24, we are fairly confident that we should be in the range of 15% to 16% for FY '25.

Sandeep Shah: Can you quantify the lease onetime benefits in this quarter, which has been accounted in the depreciation and amortization?

Sachin Zute: Yes. So, as I said that in case of depreciation, there was a lease termination benefit, which we got in this particular quarter. And that is what has reduced the depreciation. The normalized depreciation, we believe, could be in the range of $3.2 million to $3.5 million going forward.

Sandeep Shah: Just last, Manish, sir. Just wanted to understand, you were earlier alluding that creation of a large deal effort on a consistent basis is a work in progress. So, any status update in terms of creation of a separate team that looks after large deal across verticals, across services?

Manish Tandon: See, again, somehow people think that just creating a large deal team will win us the deals. That doesn't happen. We have a very comprehensive strategy in place. As it so happens, it was discussed in the Board today. And we are going about it in a very methodical fashion, knowing exactly how we want to do it, what we want to do. And we actually have some pipeline on the large deals also.

Sandeep Shah: Okay. Fair enough. Sachin, all the best. And we will miss you.

Sachin Zute: Thanks, Sandeep.

Moderator: Thank you very much. The next question is from the line of Manik Taneja from Axis Capital. Please go ahead.

Manik Taneja: Manish, just wanted to pick your thoughts around the fact that while we've seen some amount of stability on the Hitech side in the current quarter. If you could talk about the steps that you are taking in terms of diversifying this business, given the fact that this vertical has a significant concentration on one single customer?

And also talk about what you are seeing on the financial services side. While I do understand on the financial services side, our business is largely U.K. and South Africa. But given what we’ve heard from some of your competition, would be great to get your perspective on what you’re seeing with some of your U.S. banking customer base as well as the vertical as a whole.

Manish Tandon: All right. So, diversifying the Hitech customer base, at this financial year, we have opened about 34 new logos. And I would say that close to 25% of these will be in the TMT sector, and that’s another change that we have done in terms of our thinking, that we are now looking at it not just as Hitech, but like the rest of the industry, we are looking at it as the telecom, media and technology sector.

So, that also has brought in a change of perspective and a new energy in the team. So, those are the changes that we are doing. Secondly, as you said that BFSI, our thing is primarily in U.K. and South Africa. Actually, that’s not correct. So, a lot of stuff is happening in the U.S. for us. In fact, US BFSI is growing faster. At least in this quarter, it has grown faster than U.K. and

South Africa overall. The large customers in banking, et cetera, remain very subdued, but the mid-market plus insurance, et cetera, we are seeing a reasonable amount of traction, and we think we will continue to see growth in that vertical.

Manik Taneja: Just to probe you further on this aspect. So, what we've seen over the course of the recent years, some of the Tier-2 vendors eventually have positioned themselves as a challenger vendor and winning market share against the large incumbents. If you could help us understand our strength in this space, which would essentially help us or which continue to drive success for us in the U.S. banking portfolio in the recent years. And how should we be thinking about this on a go-forward basis?

Manish Tandon: No, I think, see, again, the champion challenger and bringing yourself as a challenger is just one of the models. Ultimately, it is about how you are differentiating yourself in front of your clients. And one of the things that I can say with confidence that our entire new paradigm of Experience to Engineering to Engagement is seeing a lot of traction in the BFSI sector also. So, I mean, there are various things we are trying, and champion challenger is just one of them. You do not get growth by just putting all your eggs in one basket. So, we are trying a lot of things, and we are getting a lot of success also.

Manik Taneja: Sure. And just a clarification question on the Hitech side. You spoke about some of the new logos that you opened in the space. When should we be seeing these translate into revenue accretion in the vertical and these becoming material from a client metric standpoint?

Manish Tandon: Well, we have made a start. At least this quarter, we are seeing a sequential growth in the TMT vertical. I can't remember a quarter in the last 4, 5 quarters when we saw that. So, we are already making a dent. And as these newer logos shape up, we are very hopeful that this sector will grow for us.

Manik Taneja: And the last one before I get back into the queue. You expressed some confidence about compared to what you saw 2 quarters back. Should we probably be seeing that as a qualitative indicator of us being hopeful about a positive sequential growth through a better part of FY '25?

Manish Tandon: See, again, I talked about probabilities. I can also give you another example. We are a train going from station A to station B. If we are not picking up speed at the right instance, then we will not be on time, right? We have picked up speed. We are seeing green shoots in what we are doing. So, we feel more comfortable today as compared to what we were 2 quarters back. A lot of things that we are trying are working, which is always a positive sign. At this stage, I would just say that we are feeling more confident than what we were 2 quarters back.

Moderator: The next question is from the line of Sohil from S.V. Rozani. Please go ahead.

Sohil: My question is can you give some guidelines on FY'25 margins and overall outlook for the company assets?

Manish Tandon: As you know, we don't give any forward guidance, unfortunately. So, we will not be able to help you with that. But of course, we have a great Investor Relations team. You can talk to them, and they can see whatever we can provide in a consolidated fashion some publicly available information.

Moderator: Next question is from the line of Ganesh Shetty, an individual Investor. Please go ahead.

Ganesh Shetty: Congratulations, sir, for all round growth. Just want to have one question regarding our newly formed healthcare sector. So, what are the growth strategies for the same sector? And there is also a lot of opportunity in the government sector for this healthcare sector. So, can you please tell us whether we are adding any plan for that? And my second question is around generative AI, which is the products we have recently showcased at different events. And how is the client that is looking at it and how we can commercialize these products? These are my 2 questions.

Manish Tandon: Right. So, the first question was Healthcare and Life Sciences, as you know, it's a sector very close to my heart. This quarter, we have grown *3.2% sequentially. It is one of the first full quarter where we have had a leader in this space. As far as strategies are concerned, again, we don't want to be everything to everyone. We have defined clearly the sub-industries where we want to play. We have clearly identified parts of the value chain where we have to play. And we are looking at acquisition targets also based on that. So, we are making some very good progress in terms of having a strategy and trying to execute against it.

Your second question was on Generative AI, okay. Generative AI, I think I have said this before. It's a technology that is still in a very nascent stage. People are still experimenting. And the problem with the technology is that just because you have a proof of concept doesn't mean that it will scale, right? And you make money only if your proof of concept can scale. So, there are lots of actions happening on Generative AI on proof of concepts. We internally are using Generative AI in innovative fashion to see how we can accelerate and improve our productivity. But there are still questions around the legal use of this, especially as it pertains to service providers like us in terms of IT and so on. So, like our clients, we are also being very cautious in not putting all our eggs in one basket.

Moderator: The next question is from the line of Akshada Deo from Vivog Commercial Ltd. Please go ahead.

Akshada Deo: Sir, my question is regarding the other income. I understand that you expect lease liability or explain lease liabilities that got reduced for depreciation, but the other income is what I wanted to know a bit more detail on.

Sachin Zute: So, as you know, as a company, our cash and cash equivalent balance has been going up. And the current environment, as far as yield is concerned, also has been positive. So, the other income, we had almost close to 8.0% yield on our investable surplus that is what is getting reflected over there. Additionally, we have also resized and terminated a few of our leased facilities in U.S. and India. That has also resulted in some portion of it in other income. Further, we have completed adjustment to a consideration for one of our acquisitions, which was settled during this quarter. So, there has been some other income booked through that as well.

Moderator: The next question is from the line of Ngn Puranik from ENAM. Please go ahead.

Ngn Puranik: Manish, thanks for the wonderful consistently always maintain, fantastic results. I have a question on how do you construct a large deal in the current context?

And especially in earlier times, we used to have large enterprise software packages right from an ERP to CRM to HR, various modules. And there used to be a lot more need to the deal. So, today, what are the elements that go into it? So, your digital cloud is still around, so what exactly goes into that? Digital experience, you have mastered it. And analytics, you're getting in AI. But they're all not big ones.

Manish Tandon: Thank you, Mr. Puranik, for the kind words. And as usual, your questions are very incisive, show a very deep understanding of the industry. So, large deals, while in the past, there were 2 aspects to large deal. As you rightly said, one was in terms of the packages like SAP, Oracle, CRM, et cetera. And the other was in terms of application management. Today, most of the large deals are actually occurring in the application plus infrastructure management services. But reason for the large deal also is that now these things are being bundled with hardware and software also. So, think of it as if you have an on-premise data center and I would go to a client and say, "hey, I can not only run this data center for you, but I can give you data center as a service." Right? If you remember the good old sale and leaseback mechanism, right? So, a lot of those kind of deals, there are a lot of consolidation kind of deals, mainly on the application management and infrastructure management is what is happening.

Ngn Puranik: So, that means more on the balance sheet when you have this?

Manish Tandon: Frankly, yes, for some of the really large deals, you should have the balance sheet to be able to do it.

Ngn Puranik: And what service lines will go into this?

Manish Tandon: Primarily Cloud and Infrastructure Services.

Ngn Puranik: Cloud and Infrastructure Services.

Manish Tandon: Primarily and there are like maintenance of ERP, and all also can be included in that. But primarily, I would say at least 75 percent of the deals would be in that area.

Ngn Puranik: Manish, I want to understand what is your pipeline services for the next few years? Because this will do well. How do you get core into your service offering? For example, can an

Analytics become a bigger one? And AI, in productivity engine and also as a predictive engine, can they be significant over a long period of time? In the short term, it may not be. So, what will be the next layer of services which will form the next large deal?

Manish Tandon: I think on the pipeline, see, Mr. Puranik, our business is very simple. We have to know where our clients are going and start doing it, just be 1 or 2 steps ahead of them. If you have 5 or 10 steps ahead of them, then that is in trouble.

Ngn Puranik: You are in trouble.

Manish Tandon: And it's fruitless to try and anticipate what it is going to be. Can you imagine us talking about generative AI 2 years back or even 1 year back? So, the characteristic that a successful organization has to build in this area is to be agile and nimble and continue to evolve quickly with the market.

Ngn Puranik: And the key leaders for these large deals within the company would be, what profile would be?

Manish Tandon: Sorry, I didn't get that part.

Ngn Puranik: The key leaders, key guys who run these large deals, who architect these large deals, they come from which kind of a profile? Is it a market-facing background or program management background? Or what kind of background.

Manish Tandon: Ultimately, most deals, you have to build that trusted relationship with the client and the buyer, whether you build this trusted relationship through execution or you build it through relationships or you build it through a combination of both. Usually, it is a combination of both.

Ngn Puranik: But how do you handle large deals in Hitech sector? How do you create large deals?

Manish Tandon: I mean the more the sector is under stress, I would say, easier it is to pitch a large deal there, because they are looking at cost savings. And every remedy driver of large deals is cost savings.

Ngn Puranik: Yes, you have a way to simplify everything, wonderful.

Manish Tandon: Thank you.

Moderator: The next question is from the line of Chirag Kachhadiya from Ashika Institutional Equities. Please go ahead.

Chirag Kachhadiya: Yes. Manish, I have a few questions. I joined the call a bit late. Sorry for again asking the same questions if already asked. In comparison to FY '24, what do you think about FY '25 and FY '26 in terms of the client behavior and vertical-wise the growth pickup and all? Because on the margin front, you have done an excellent job. And on growth front now, what's the way ahead? Because since pass-on year as we are looking for the growth in this business. Yes, I understand the macro challenges are there, but still.

Manish Tandon: I mean you can anticipate this by looking at the Q4 numbers of us versus our competitors. I don't have to really outline how I feel about Zensar for the next year. And as you rightly said, the macroeconomic conditions remain the same. And before you joined, I answered this question that I feel much more confident as an organization as to what we have set out to achieve.

Moderator: The next question is from the line of Manik Taneja from Axis Capital. Please go ahead.

Manik Taneja: Manish, over the course of last 12 to 15 months since you joined, we have still seen some amount of leadership flux in the organization, including some hiring in the N minus 2 and N minus 3 levels. If you could help us understand where are we in that journey in terms of stabilization of the leadership team? And also, while you continue to exude confidence about growth going forward, if you could also make some comments around how should we be thinking about growth through the course of FY '25 in terms of quarterly performance?

Manish Tandon: So, leadership change, look, I am not one of those CEOs who will come in and treat the existing employees like that old Bajaj bulb ad “Ghar Bhar Ke Badal Dunga” types. So, I'm not one of those. As I mentioned to you before, we give everyone a chance and opportunity. We make sure that, A), they perform; B) they like to be where they are, right? And based on that, we or the people make a decision, one way or the other, and we continue to progress. We continue to have a good leadership pipeline, both internally and externally. So, we just want to make sure that there is close alignment in terms of performance and expectations and in terms of culture for both the organization and the person involved.

As I said, I mean, there is no hard and fast rule that we will change so many people or whatever. I have been very satisfied with my team. And hence, I don't think that you should expect any wholesale changes. I'm not one of those IT services CEOs who will come and say that I'll bring my entire new team. You have seen that over the last 4 quarters, we have worked together as a team as what we inherited.

Manik Taneja: And any thoughts on how should we be thinking about sequential growth through the course of quarter of FY '25, given the increased confidence should one probably do see us grow every single quarter?

Manish Tandon: See, I told you last time that our aspiration is to grow every single quarter. And actually, if you look at it over the last 5 quarters that I have been there, except for 1 quarter, which is Q3 of last year, we have shown sequential growth despite the tough environment. We have shown sequential growth every quarter. And it continues to be our aspiration, it continues to be our drive to make sure that we continue to have revenue growth every quarter.

Moderator: Thank you very much. As there are no further questions, I would now like to hand the conference over to Mr. Manish Tandon for closing comments. Please go ahead.

Manish Tandon: All right. Thank you. I would say, first of all, thank you for joining this call. I know there were a lot of earnings call going on simultaneously, so I'm very grateful to all of you who have joined this call. From my perspective, this is the first full year that I completed as the CEO of this company. I feel very good about where we are and what we have achieved over the last 1 year. I would like to thank my entire team for that, Sachin, Vijay and so many people who have contributed to this. And I would also like to thank the investors for reposing their faith in us. Thank you.

Moderator: On behalf of Axis Capital Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.

* Growth mentioned in Constant Currency