

**CMP: 1473.85**

INDEX DETAILS	
SENSEX	73,730.16
NIFTY (S&P CNX)	22419.95

(Source: Capitaline, [Investing.com](https://www.investing.com))

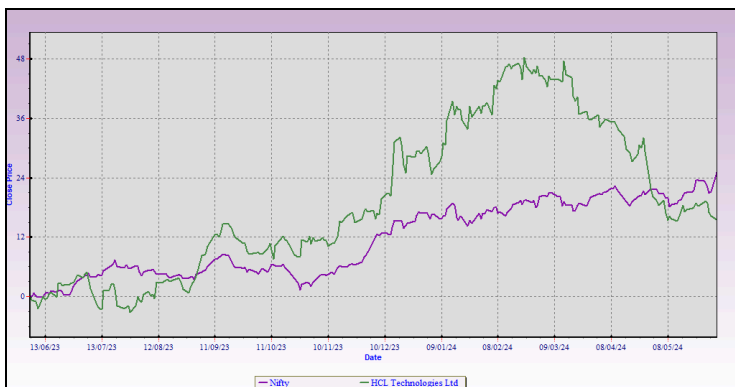
SCRIP DETAILS	
Industry	Computers - Software & Consulting
Mkt Cap (Rs in Crore)	356738.41
Book Value (Rs)	251.55
Free Float (%)	39.19
Avg Vol Weekly (NSE)	5169345
52 Week H/L (NSE)	1697 / 1088
Dividend Yield (%)	3.96
BSE Code	532281
NSE Code	HCLTECH

(Source: [Investing.com](https://www.investing.com))

SHAREHOLDING PATTERN (%)		
PARTICULARS	LATEST QUARTER	PREVIOUS QUARTER
Promoters	60.81	60.81
FIIIs	19.65	19.42
DIIIs	14.07	14.23
Others	5.47	5.54
Totals	100	100

(Source: Capitaline)

## Price Comparison with Sensex



**Revenue up 7.1% YoY to Rs 28499 crore in Q4FY2024**

**On consolidated basis**

**Quarter ended March 2024 compared with Quarter ended December 2023**

Net sales (including other operating income) of HCL Technologies has increased 0.19% to Rs 28499 crore.

Operating profit margin has declined from 23.86% to 21.46%, leading to 9.87% decline in operating profit to Rs 6,117.00 crore. Purchase of finished goods cost rose from 1.46% to 1.73%. Employee cost increased from 55.63% to 57.41%. Other expenses rose from 19.10% to 19.38%. Contract job process charges fell from 13.09% to 13.03%.

Other income rose 12.43% to Rs 416 crore. PBIDT fell 8.72% to Rs 6533 crore. Provision for interest rose 22.14% to Rs 171 crore. Loan funds remained nil.

PBDT fell 9.33% to Rs 6362 crore. Provision for depreciation fell 4.37% to Rs 1093 crore.

Profit before tax down 10.30% to Rs 5,269.00 crore. Share of profit/loss were nil in both the periods. Provision for tax was expense of Rs 1274 crore, compared to Rs 1523 crore. Effective tax rate was 24.18% compared to 25.93%.

Minority interest increased 800% to Rs 9.00 crore. Net profit attributable to owners of the company decreased 8.37% to Rs 3,986.00 crore.

Promoters' stake was 60.81% as of 31 March 2024, compared to 60.81% as of 31 December 2023.

## Quarter ended March 2024 compared with Quarter ended March 2023

Net sales (including other operating income) of HCL Technologies has increased 7.11% to Rs 28499 crore. Sales of Engineering and R&D Services segment has gone up 7.39% to Rs 4,590.00 crore (accounting for 16.11% of total sales). Sales of IT & Business Services segment has gone up 7.98% to Rs 21,199.00 crore (accounting for 74.39% of total sales). Sales of HCL Software segment has gone up 0.37% to Rs 2,710.00 crore (accounting for 9.51% of total sales). Inter-segment sales rose Rs -117.00 crore to Rs 131.00 crore.

Profit before interest, tax and other unallocable items (PBIT) has jumped 3.76% to Rs 5,018.00 crore. PBIT of Engineering and R&D Services segment rose 12.36% to Rs 909.00 crore (accounting for 18.11% of total PBIT). PBIT of Products & Platforms segment fell 7.38% to Rs 602.00 crore (accounting for 12.00% of total PBIT). PBIT of IT & Business Services segment rose 3.85% to Rs 3,507.00 crore (accounting for 69.89% of total PBIT).

PBIT margin of Engineering and R&D Services segment rose from 18.93% to 19.80%. PBIT margin of IT & Business Services segment fell from 17.20% to 16.54%. Overall PBIT margin fell from 18.18% to 17.61%.

Operating profit margin has declined from 22.04% to 21.46%, leading to 4.33% rise in operating profit to Rs 6,117.00 crore. Purchase of finished goods cost fell from 2.17% to 1.73%. Employee cost increased from 55.09% to 57.41%. Other expenses fell from 20.72% to 19.38%. Contract job process charges fell from 14.22% to 13.03%.

Other income fell 8.17% to Rs 416 crore. PBIDT rose 3.44% to Rs 6533 crore. Provision for interest rose 81.91% to Rs 171 crore. Loan funds rose to Rs 5,756.00 crore as of 31 March 2024 from Rs 4,786.00 crore as of 31 March 2023. Inventories declined from Rs 228.00 crore as of 31 March 2023 to Rs 185.00 crore as of 31 March 2024. Sundry debtors were lower at Rs 19,483.00 crore as of 31 March 2024 compared to Rs 19,572.00 crore as of 31 March 2023. Cash and bank balance rose to Rs 20,150.00 crore as of 31 March 2024 from Rs 14,724.00 crore as of 31 March 2023. Investments rose to Rs 7,137.00 crore as of 31 March 2024 from Rs 5,495.00 crore as of 31 March 2023.

PBDT rose 2.25% to Rs 6362 crore. Provision for depreciation rose 6.43% to Rs 1093 crore. Fixed assets declined from Rs 16,092.00 crore as of 31 March 2023 to Rs 15,039.00 crore as of 31 March 2024. Intangible assets increased from Rs 18,567.00 crore to Rs 20,132.00 crore.

Profit before tax grew 1.42% to Rs 5,269.00 crore. Share of profit/loss were nil in both the periods. Provision for tax was expense of Rs 1274 crore, compared to Rs 1214 crore. Effective tax rate was 24.18% compared to 23.37%.

Net profit attributable to owners of the company increased 0.08% to Rs 3,986.00 crore.

Equity capital stood at Rs 543.00 crore as of 31 March 2024 to Rs 543.00 crore as of 31 March 2023. Per share face Value remained same at Rs 2.00.

Promoters' stake was 60.81% as of 31 March 2024, compared to 60.81% as of 31 March 2023.

## Full year results analysis

Net sales (including other operating income) of HCL Technologies has increased 8.34% to Rs 109913 crore. Sales of Engineering and R&D Services segment has gone up 4.64% to Rs 17,581.00 crore (accounting for 16.00% of total sales). Sales of IT & Business Services segment has gone up 9.64% to Rs 81,148.00 crore (accounting for 73.83% of total sales). Sales of HCL Software segment has gone up 5.12% to Rs 11,184.00 crore (accounting for 10.18% of total sales). Inter-segment sales rose Rs 470.00 crore to Rs 508.00 crore.

Profit before interest, tax and other unallocable items (PBIT) has jumped 8.35% to Rs 20,027.00 crore. PBIT of Engineering and R&D Services segment fell 0.03% to Rs 3,388.00 crore (accounting for 16.92% of total PBIT). PBIT of Products & Platforms segment rose 3.30% to Rs 2,883.00 crore (accounting for 14.40% of total PBIT). PBIT of IT & Business Services segment rose 11.81% to Rs 13,756.00 crore (accounting for 68.69% of total PBIT).

PBIT margin of Engineering and R&D Services segment fell from 20.17% to 19.27%. PBIT margin of IT & Business Services segment rose from 16.62% to 16.95%. Overall PBIT margin rose from 18.22% to 18.22%.

Operating profit margin has declined from 22.30% to 22.02%, leading to 6.94% rise in operating profit to Rs 24,198.00 crore. Purchase of finished goods cost fell from 2.04% to 1.60%. Employee cost increased from 54.45% to 56.87%. Other expenses fell from 21.22% to 19.51%. Contract job process charges fell from 14.73% to 13.27%.

Other income rose 10.09% to Rs 1495 crore. PBIDT rose 7.12% to Rs 25693 crore. Provision for interest rose 56.66% to Rs 553 crore. Loan funds rose to Rs 5,756.00 crore as of 31 March 2024 from Rs 4,786.00 crore as of 31 March 2023. Inventories declined from Rs 228.00 crore as of 31 March 2023 to Rs 185.00 crore as of 31 March 2024. Sundry debtors were lower at Rs 19,483.00 crore as of 31 March 2024 compared to Rs 19,572.00 crore as of 31 March 2023. Cash and bank balance rose to Rs 20,150.00 crore as of 31 March 2024 from Rs 14,724.00 crore as of 31 March 2023. Investments rose to Rs 7,137.00 crore as of 31 March 2024 from Rs 5,495.00 crore as of 31 March 2023 .

PBDT rose 6.38% to Rs 25140 crore. Provision for depreciation rose 0.68% to Rs 4173 crore. Fixed assets declined from Rs 16,092.00 crore as of 31 March 2023 to Rs 15,039.00 crore as of 31 March 2024. Intangible assets increased from Rs 18,567.00 crore to Rs 20,132.00 crore.

Profit before tax grew 7.59% to Rs 20,967.00 crore. Share of profit/loss were nil in both the periods. Provision for tax was expense of Rs 5257 crore, compared to Rs 4643 crore. Effective tax rate was 25.07% compared to 23.82%.

Net profit attributable to owners of the company increased 5.73% to Rs 15,702.00 crore.

Equity capital stood at Rs 543.00 crore as of 31 March 2024 to Rs 543.00 crore as of 31 March 2023. Per share face Value remained same at Rs 2.00.

Promoters' stake was 60.81% as of 31 March 2024, compared to 60.81% as of 31 March 2023 .

Cash flow from operating activities increased to Rs 22,448.00 crore for year ended March 2024 from Rs 18,009.00 crore for year ended March 2023. Cash flow used in acquiring fixed assets during the year ended March 2024 stood at Rs 1,048.00 crore, compared to Rs 1,661.00 crore during the year ended March 2023.

## Others:

For FY2025, total revenue growth is expected to be in the range of 3-5% YoY in CC.

The company continues to maintain its guidance for EBIT margin for FY25 that is between 18-19%.

Dividend: The board has declared dividend of Rs 18 per equity share of Rs 5 each.

## Management Commentary:

Commenting on the performance Roshni Nadar Malhotra-Chairperson said “ Led by a differentiated portfolio, HCLTech continues to grow despite global economic and geopolitical headwinds. Our focus on doing business sustainably and responsibly is sharper than ever as we scale our community initiatives beyond India.’

C VijayaKumar-CEO & MD said “HCLTech continues to lead the industry in FY24 with good USD revenue growth of 5.4% YoY during challenging times through our strong commitment to our clients and our people. More importantly, we have translated this growth into even higher value creation for our shareholders with our OCF coming at US\$ 2,711 Mn, up 21.6% YoY and FCF at US\$ 2,584 Mn, up 27.7% YoY. As we look ahead, global enterprise technology spend will only grow with adoption of AI. We are well positioned to capitalize with our AI led propositions, Global delivery model and ideal mix of technology services and products.”

Prateek Agarwal-CFO said “HCLTech’s FY24 performance underlines the resilience of our business model with Revenue at INR 109,913 Cr, growing 8.3%. We delivered this industry leading growth with EBIT at 20,027 Cr, up 8.4%. Net Income (NI) for the year came in at ₹ 15,702 crores, up 5.7%, translating to an EPS of ₹ 57.86. Our Board is pleased to declare ₹ 18/share as the Dividend for the quarter, bringing the total to ₹ 52/share for FY24, which is 90% of the EPS. Our razor-sharp focus on cash generation resulted in OCF/NI coming at 143% and FCF/NI at 136%. We continue to expand ROIC, with the Company’s ROIC up 341 bps YoY at 33.8% and Services’ ROIC up 430 bps YoY at 41.6%.”

## Consolidated Results

Particulars	Quarter Ended			Year ended		
	Q4FY24	Q3FY23	Var. (%)	FY24	FY23	Var. (%)
Net Sales (including other operating income)	28,499.00	26,606.00	7.11	1,09,913.00	1,01,456.00	8.34
OPM (%)	21.46	22.04	-57 bps	22.02	22.3	-29 bps
OP	6,117.00	5,863.00	4.33	24,198.00	22,628.00	6.94
Other Inc.	416	453	-8.17	1,495.00	1,358.00	10.09
PBIDT	6,533.00	6,316.00	3.44	25,693.00	23,986.00	7.12
Interest	171	94	81.91	553	353	56.66
PBDT	6,362.00	6,222.00	2.25	25,140.00	23,633.00	6.38
Depreciation	1093	1027	6.43	4173	4145	0.68
PBT	5,269.00	5,195.00	1.42	20967	19488	7.59
Share of Profit/(Loss) from Associates	0	0	-	0	0	-
PBT before EO	5269	5195	1.42	20967	19488	7.59
EO Income	0	0	-	0	0	-
PBT after EO	5269	5195	1.42	20967	19488	7.59
Taxation	1274	1214	4.94	5257	4643	13.22
PAT	3995	3981	0.35	15710	14845	5.83
Minority Interest (MI)	9	-2	PL	8	-6	PL
Net profit	3986	3983	0.08	15702	14851	5.73
P/(L) from discontinued operations net of tax	0	0	-	0	0	-
Net profit after discontinued operations	3986	3983	0.08	15702	14851	5.73
EPS (Rs)*	14.69	14.68	0.08	57.86	54.73	5.73

(Source: [NSE](#))

## Consolidated Segment Results

Particulars	Quarter Ended				Year ended			
	% of(Total)	Q4FY24	Q3FY23	Var. (%)	% of(Tota	FY24	FY23	Var. (%)
<b>Sales</b>								
Software ServicesSoftware Services	0	0	0	-				
Business Processing Outsourcing	0	0	0	-				
Networking	0	0	0	-				
Infrastructure Services	0	0	0	-				
Engineering and R&D Services	16.11	4,590.00	4,274.00	7.39	16	17,581.00	16,802.00	4.64
Products & Platforms	0	0	0	-				
IT & Business Services	74.39	21,199.00	19,632.00	7.98	73.83	81,148.00	74,015.00	9.64
HCL Software	9.51	2,710.00	2,700.00	0.37	10.18	11,184.00	10,639.00	5.12
<b>Total Reported Sales</b>	100	28,499.00	26,606.00	7.11	100	1,09,913.00	1,01,456.00	8.34
Less: Inter segment revenues		131	-117	LP		508	470	8.09
<b>Net Sales</b>	100	28,368.00	26,723.00	6.16	100	1,09,405.00	1,00,986.00	8.34
<b>PBIT</b>								
Software ServicesSoftware Services	0	0	0	-				
Business Processing Outsourcing	0	0	0	-				
Networking	0	0	0	-				
Infrastructure Services	0	0	0	-				
Engineering and R&D Services	18.11	909	809	12.36	16.92	3,388.00	3,389.00	-0.03
Products & Platforms	12	602	650	-7.38	14.4	2,883.00	2,791.00	3.3
IT & Business Services	69.89	3,507.00	3,377.00	3.85	68.69	13,756.00	12,303.00	11.81
HCL Software	0	0	0	-				
<b>Total PBIT</b>	100	5,018.00	4,836.00	3.76	100	20,027.00	18,483.00	8.35
Less : Interest		0	0	-		0	0	-
Add: Other un-allcoable		251	359	-30.08		940	1,005.00	-6.47
<b>PBIT Margin(%)</b>								
Software ServicesSoftware Services		0	0	0				
Business Processing Outsourcing		0	0	0				
Networking		0	0	0				
Infrastructure Services		0	0	0				
Engineering and R&D Services		19.8	18.93	87.55		19.27	20.17	-89.94
Products & Platforms		0	0	0				
IT & Business Services		16.54	17.2	-65.83		16.95	16.62	32.94
HCL Software		0	0	0				
<b>PBT</b>	100	5,269.00	5,195.00	1.42	100	20,967.00	19,488.00	7.59

(Source: [NSE](#))

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