

HCL TECHNOLOGIES LTD.

HCL Technologies reports over 3-fold jump in Q4 consolidated net profit

Delivering yet another stellar quarter in its services business, HCL Technologies has reported over 3-fold jump in its consolidated net profit at Rs 3,599 crore for the fourth quarter ended March 31, 2022 as compared to Rs 1,111 crore for the same quarter in the previous year. Consolidated total income of the company increased by 15.23% at Rs 22,914 crore for Q4FY22 as compared Rs 19,885 crore for the corresponding quarter previous year.

Revenue from operations

The company's revenue from operations increased 15.05% to Rs 22,597.00 crore in the fourth quarter ended March 31, 2022 as against Rs 19,641.00 crore in the corresponding quarter previous year.

EBITDA

Earnings before interest, tax, depreciation and amortization (EBITDA) of the company declined 4.23% to Rs 5,053 crore in Q4FY22 as compared to Rs 5,276 crore in the corresponding quarter previous year.

Other income

Other income of the company rose 29.92% to Rs 317.00 crore in the fourth quarter ended March 31, 2022 as compared to Rs 244.00 crore in the corresponding quarter previous year.

Depreciation & Amortization

The company's depreciation & amortization decreased 22.34% to Rs 984.00 crore in the fourth quarter ended March 31, 2022 as compared to Rs 1,267.00 crore in the corresponding quarter previous year.

Employee benefits expenses

Employee benefits expenses surged 15.93% to Rs 12,603.00 crore in Q4FY22 as compared to Rs 10,871.00 crore in the corresponding quarter previous year.

Standalone result of Q4

The company has reported around 7-fold jump in its net profit at Rs 3,003 crore for the quarter under review as compared to Rs 456 crore for the same quarter in the previous year. Total income of the company increased by 14.63% at Rs 10,889 crore for Q4FY22 as compared Rs 9,499 crore for the corresponding quarter previous year.

Year end result

For the year ended March 31, 2022, the company has reported a rise of 24.37% in its net profit at Rs 10,874 crore as compared to Rs 8,743 crore for the previous year. Total income of the company increased by 13.33% at Rs 41,518 crore for year under review as compared to Rs 36,636 crore for year ended March 31, 2021.

For the year ended March 31, 2022, on the consolidated basis, the company has reported a rise of 21.08% in its net profit at Rs 13,523 crore as compared to Rs 11,169 crore for the previous year. Total income of the company increased by 13.65% at Rs 86,718 crore for year under review as compared to Rs 76,306 crore for year ended March 31, 2021.

Management comments

Roshni Nadar Malhotra, Chairperson, HCL Technologies said: “Our core beliefs of innovation and collaboration, driven by a strong faith in humanitarian values, have stood us well in these fast-changing times. Clients worldwide see HCL Technologies as their partner of choice to drive business outcomes with our leading-edge technology services, solutions and products. We remain committed to transforming lives and uplifting marginalized communities through the work and perseverance of the HCL Foundation”.

C Vijayakumar, Chief Executive Officer & Managing Director, HCL Technologies said: “We have delivered yet another stellar quarter in our Services business, where the revenue is up 5.0% QoQ & up 17.5% YoY in constant currency. Over the last three quarters, our Services business has been consistently growing organically at 5% and higher, delivering one of the highest CQGR in the industry. Our overall growth on YoY basis stands at 12.7% which is better than the guidance led by strong momentum in Digital, Cloud and Engineering services. We continue to invest proactively to create a larger talent pool to address the demand”.

Prateek Aggarwal, Chief Financial Officer, HCL Technologies said: “We ended Financial Year 2021-22 well, with Revenue at US\$ 11.5 bn (? 85k Cr), growth of 12.7% YoY in constant currency, and EBIT margin at 18.9%. Services revenue (ITBS and ERS) crossed the US\$ 10 bn milestone and registered a robust growth of 14.9% YoY in constant currency during the fiscal. Net income (PAT) for the year came in at ? 13.5K Cr, 15.7% of Revenue, translating to an EPS of ? 49.77. Our cash generation and profit conversion to cash continue to be very strong with OCF at US\$ 2,265 mn (125% of PAT) and FCF at US\$ 2,044 mn (113% of PAT). Our Board is happy to announce a dividend of ? 18 per share for the quarter, taking the payout for the year to ? 44 per share for the year, 88.4% of EPS, higher than guided range of 75%.”

Rs.in Millions

	Quarter ended			Year to Date			Year ended		
	Mar 22	Mar 21	% Var			%Var	Mar 22	Mar 21	% Var
Sales	106340.00	92490.00	14.98	-	-	-	406380.00	356730.00	13.92
Other Income	2550.00	2500.00	2.00	-	-	-	8800.00	9650.00	-8.81
PBIDT	40810.00	32630.00	25.07	-	-	-	159920.00	154000.00	3.84
Interest	260.00	200.00	30.00	-	-	-	1090.00	1770.00	-38.42
PBDT	40550.00	32430.00	25.04	-	-	-	158830.00	152230.00	4.34
Depreciation	5830.00	7840.00	-25.64	-	-	-	26150.00	28130.00	-7.04
PBT	34720.00	24590.00	41.20	-	-	-	132680.00	124100.00	6.91
TAX	4690.00	20030.00	-76.59	-	-	-	23940.00	36670.00	-34.72
Deferred Tax	-1300.00	12460.00	P to L	-	-	-	-700.00	11870.00	P to L
PAT	30030.00	4560.00	558.55	-	-	-	108740.00	87430.00	24.37
Equity	5430.00	5430.00	0.00	-	-	-	5430.00	5430.00	0.00

Note :

P to L :- Profit To Loss

L to P :- Loss To Profit