

July 12, 2023

The General Manager
BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400 001

The Manager
National Stock Exchange of India Limited
Listing Department
Exchange Plaza
5th Floor, Plot No. C-1, Block-G
Bandra-Kurla Complex, Bandra(E)
Mumbai-400 051

BSE Scrip Code: 532281

NSE Scrip Code: HCLTECH

Sub.: Investor Release Q1 FY 2024

Dear Sir,

Enclosed please find an Investor Release dated July 12, 2023 on the financial results of the Company for the quarter ended June 30, 2023.

Thanking you,
For **HCL Technologies Limited**



Manish Anand
Company Secretary

Encl: a/a

Q1 FY 2024

Investor Release

July 12, 2023
Noida, India

Safe Harbor Statement

Certain statements in this release are forward-looking statements, which involve a number of risks, uncertainties, assumptions and other factors that could cause actual results to differ materially from those in such forward-looking statements. All statements, other than statements of historical fact are statements that could be deemed forward looking statements, including but not limited to the statements containing the words 'planned', 'expects', 'believes', 'strategy', 'opportunity', 'anticipates', 'hopes' or other similar words. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding impact of pending regulatory proceedings, fluctuations in earnings, our ability to manage growth, intense competition in IT services, Business Process Outsourcing and consulting services including those factors which may affect our cost advantage, wage increases in India, customer acceptances of our services, products and fee structures, our ability to attract and retain highly skilled professionals, our ability to integrate acquired assets in a cost effective and timely manner, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, the success of our brand development efforts, liability for damages on our service contracts, the success of the companies / entities in which we have made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property, other risks, uncertainties and general economic conditions affecting our industry. There can be no assurance that the forward-looking statements made herein will prove to be accurate, and issuance of such forward looking statements should not be regarded as a representation by the Company or any other person that the objective and plans of the Company will be achieved. All forward-looking statements made herein are based on information presently available to the management of the Company and the Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

Q1 FY 2024 Highlights

1 Revenue

- INR Revenue of ₹ 26,296 Crore, down 1.2% QoQ & up 12.1% YoY
- Constant Currency (CC) Revenue down 1.3% QoQ & up 6.3% YoY
- USD Revenue of US\$ 3,200 Mn, down 1.1% QoQ & up 5.8% YoY
- HCLTech Services Revenue down 1.0% QoQ & up 7.1% YoY CC
- HCLSoftware Revenue flat YoY CC
- HCLSoftware ARR at US\$ 1 Bn+, up 4.7% YoY CC
- Digital Revenue up 6.0% YoY CC; contributes 37.0% of HCLTech Services Revenue
- Clients: \$100 Mn+ up by 3 YoY, \$50 Mn+ up by 6 YoY

2 Profitability & Return Metrics

- EBIT at ₹ 4,460 Crore (17.0% of revenue), down 7.8% QoQ & up 11.7% YoY
- Net Income at ₹ 3,534 Crore (13.4% of revenue), down 11.3% QoQ & up 7.6% YoY
- LTM ROIC at 31.1%, up 68 bps QoQ
- OCF/NI at 135% & FCF/NI at 126% (on LTM basis)
- Dividend of ₹ 10/- per share, 82nd consecutive quarter of dividend pay-out

3 Bookings & Pipeline

- Won 18 Large deals - 7 in Services & 11 in Software
- TCV (New Deal wins) at US\$ 1,565 Mn
- Pipeline, at an all time high, grew 17.7% QoQ and 26.2% YoY

4 People

- Total People Count at 223,438; Net addition: -2,506
- Added 1,597 freshers
- LTM Attrition at 16.3%*, down 7.5% YoY

5 ESG - Awards and Recognitions

- HCLTech ranked among the **Top 10 Most Sustainable Companies** in India in a study conducted by BW Business World and Sustain Labs, Paris.
- HCLTech honored with the **Sustainability 100+ award** by Network 18 in collaboration with ABInBev in recognition of our dedication to water conservation and stewardship initiatives.
- HCLTech was part of the **"Climate Leaders Asia-Pacific 2023"** list published by The Financial Times and Statista.

6 FY'24 Guidance

- Company Revenue growth expected to be between **6.0% - 8.0% YoY** in CC
- Services Revenue growth expected to be between **6.5% - 8.5% YoY** in CC
- EBIT margin to be between **18.0% - 19.0%**

The EBIT Margin guidance assumes USD-INR currency rate of US\$ 1 = ₹ 82/- and other currencies at FY'23 average exchange rates

Leadership Comments



Roshni Nadar Malhotra
Chairperson
HCLTech

“HCLTech continues to be a partner of choice for global enterprises and is well placed to leverage opportunities in emerging areas such as AI and allied technologies despite the challenging global macro environment.”



C Vijayakumar
CEO & Managing Director
HCLTech

“In Q1 FY 24, our revenue and people strength sequentially moderated in line with the demand environment. We delivered a 6.3% YoY growth in Constant Currency at company level and 7.1% YoY CC for the Services business. We experienced double-digit YoY growth, in our largest verticals - Financial Services, Manufacturing, and Life Sciences and Healthcare fueled by large deals. These large deals helped offset cuts in client discretionary spend in these verticals. We are expecting other verticals to pick up as well shortly. This combined with the strength of our record-high pipeline enables us to maintain our guidance for the year.”



Prateek Aggarwal
Chief Financial Officer
HCLTech

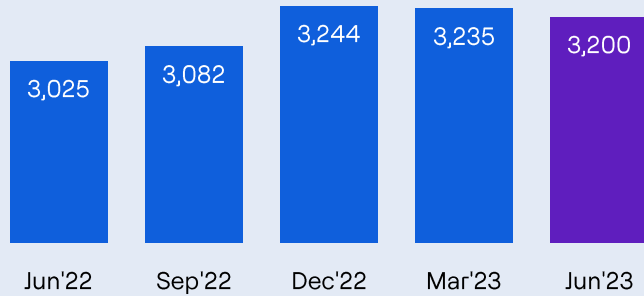
“HCLTech delivered 12.1% YoY revenue growth in INR this quarter, with Services growing at 12.9% YoY in INR. We have demonstrated healthy client addition with \$100mn clients up by 3 and \$50mn clients up by 6 on a YoY basis. Our EBIT margin remains stable on YoY basis. Our focus on the ROIC metric continues to move the needle; LTM ROIC end-June 2023 stands at 31.1%, up 260 bps YoY. We continue to demonstrate healthy cash conversion every quarter; Operating Cash Flow (OCF) of ₹ 3,970 Crores and Free Cash Flow (FCF) of ₹ 3,688 Crores, are 135% and 126% of Net Income (on LTM basis) respectively.”

Quarterly Performance Trends – US\$

HCLTech Consolidated

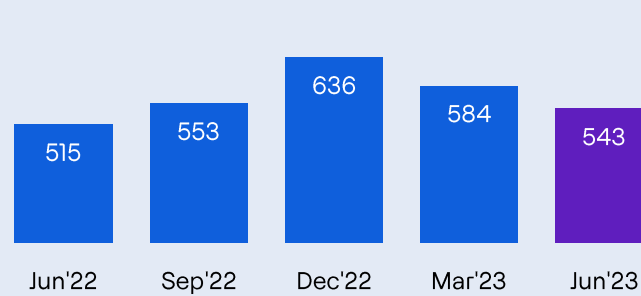
Revenues

In US\$ Mn



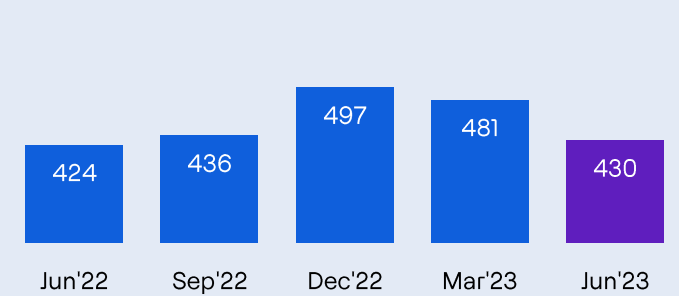
EBIT

In US\$ Mn



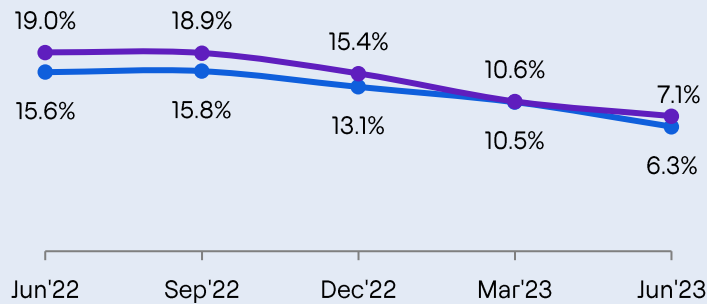
Net Income

In US\$ Mn

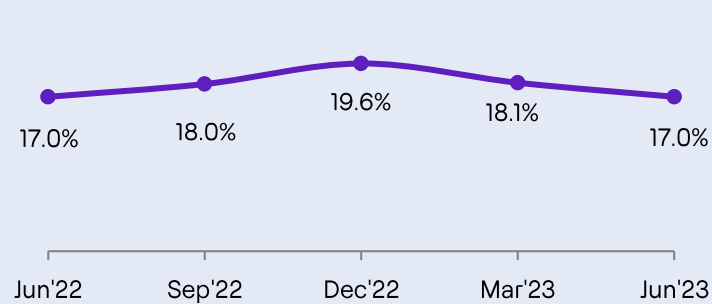


Revenue Growth

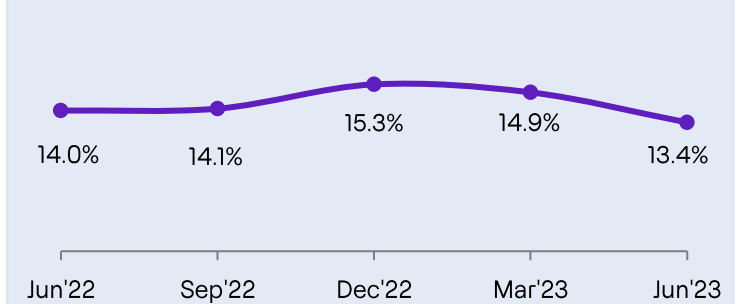
YoY CC Services YoY CC



EBIT Margin



Net Income Margin

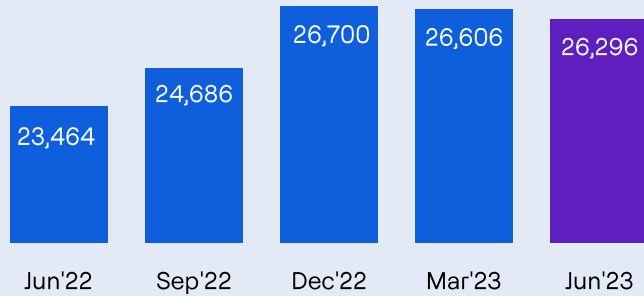


Quarterly Performance Trends – ₹

HCLTech Consolidated

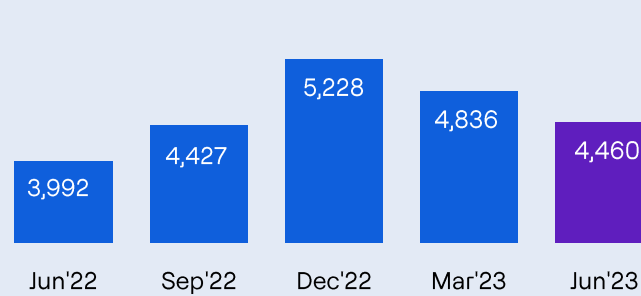
Revenues

In ₹ Crore



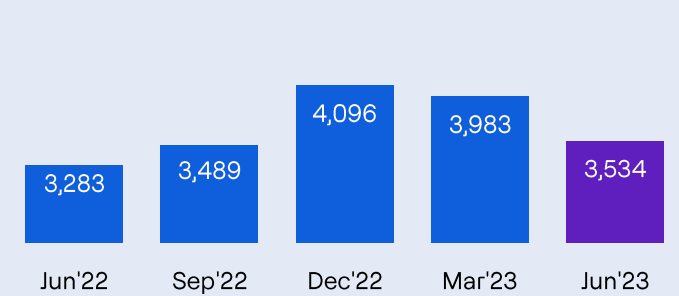
EBIT

In ₹ Crore



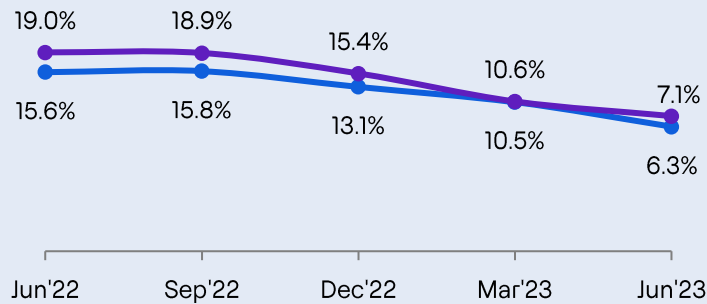
Net Income

In ₹ Crore

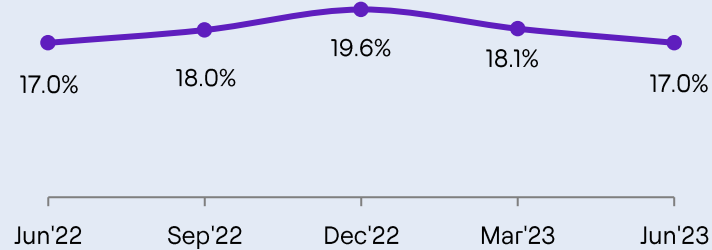


Revenue Growth

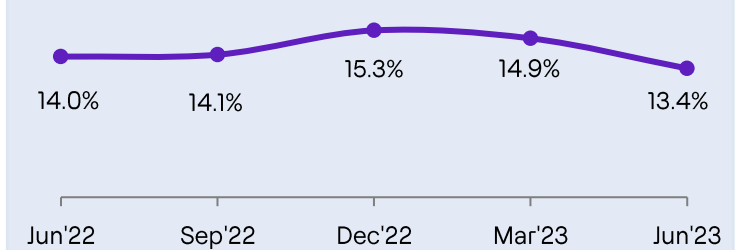
YoY CC Services YoY CC



EBIT Margin



Net Income Margin

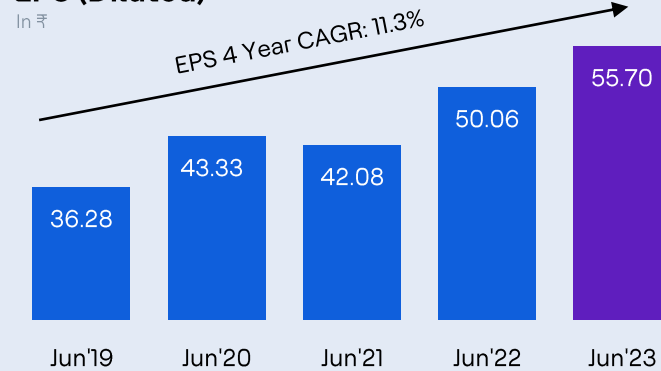


LTM Performance Trends

HCLTech Consolidated

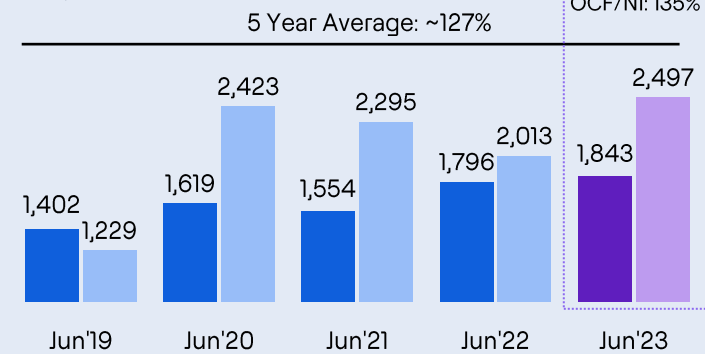
EPS (Diluted)

In ₹



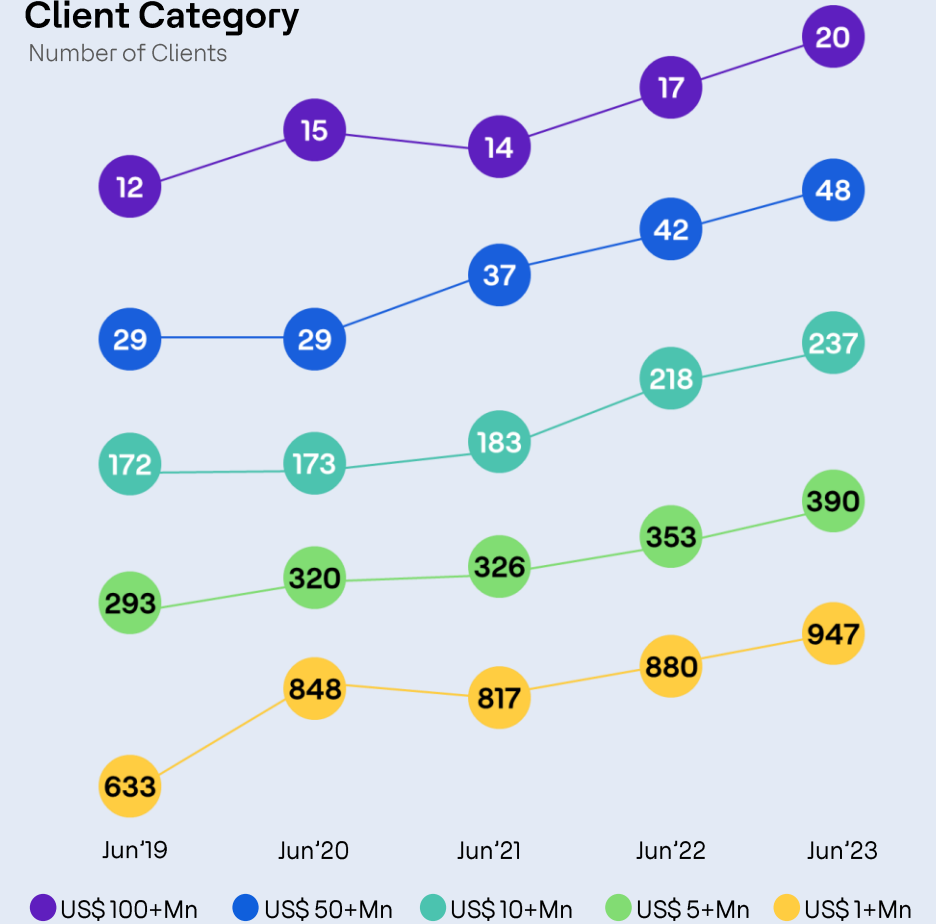
OCF/NI

In US\$ Mn



Client Category

Number of Clients



Segment-wise Highlights for the Quarter ended 30-Jun-23

HCLTech Consolidated Revenue Mix and Growth

Details	30-Jun-22	31-Mar-23	30-Jun-23	YoY CC Growth	QoQ CC Growth
IT and Business Services (A)	72.8%	73.8%	74.7%	9.1%	(0.1%)
Engineering and R&D Services (B)	16.6%	16.1%	15.4%	(1.8%)	(5.2%)
Services (A + B)	89.4%	89.9%	90.1%	7.1%	(1.0%)
HCLSoftware ¹ (C)	11.0%	10.6%	10.4%	(0.1%)	(3.1%)
Inter-segment ² (D)	(0.4%)	(0.4%)	(0.5%)		
Total (A + B + C + D)	100.0%	100.0%	100.0%	6.3%	(1.3%)

1. In view of certain internal reorganization, revenue relating to certain software products internally developed and earlier managed by IT and Business Services, are being reported in HCLSoftware segment since Quarter ended 30-Jun-22.

2. Inter-segment revenue is related to products and services of HCLSoftware used by Services business in rendering services to their customers.

EBIT Margin

Details	30-Jun-22	31-Mar-23	30-Jun-23	YoY BPS change	QoQ BPS change
IT and Business Services	15.7%	17.1%	16.1%	35	(102)
Engineering and R&D Services	18.7%	18.8%	16.8%	(189)	(199)
Services	16.3%	17.4%	16.2%	(8)	(120)
HCLSoftware	22.5%	23.0%	22.9%	35	(10)
Total	17.0%	18.1%	17.0%	(7)	(110)

Return on Invested Capital (ROIC)

(Amount in US\$ Million)

HCLSoftware P&L (Quarter ended)	30-Jun-22	30-Sep-22	31-Dec-22	31-Mar-23	30-Jun-23
Revenues	333.8	303.6	397.6	342.3	332.5
EBITDA	129.9	110.6	192.9	130.3	116.4
EBIT	75.2	61.7	129.7	78.6	76.1
NOPAT	61.1	50.2	103.5	68.5	59.6

Estimated Invested Capital (Quarter ended)	30-Jun-22	30-Sep-22	31-Dec-22	31-Mar-23	30-Jun-23	Average
HCLSoftware	1,864	1,788	1,799	1,687	1,725	1,772
HCLTech Services	4,067	3,969	3,967	3,735	3,732	3,894
Invested Capital	5,930	5,756	5,766	5,421	5,457	5,666
Cash & Treasury Balance	1,723	1,765	1,954	2,536	2,395	
Total	7,654	7,521	7,720	7,958	7,852	

LTM ROIC	30-Jun-22	30-Sep-22	31-Dec-22	31-Mar-23	30-Jun-23
HCLTech Services	36.4%	36.2%	37.4%	37.3%	38.0%
HCLSoftware	14.1%	14.3%	14.3%	15.5%	15.9%
HCLTech	28.5%	28.7%	29.8%	30.4%	31.1%

- Estimated effective tax rate for HCLSoftware segment has been arrived at by applying the tax on Specific units/entities from where HCLSoftware business operates. Residual tax has been allocated to Services business.
- Common assets and liabilities have been allocated between the businesses in ratio of last twelve months revenues.
- NOPAT = EBIT*(1 - Effective Tax Rate)
- Average invested capital has been computed using average of last 5 quarters.

HCLSoftware Metrics

HCLSoftware Revenue	Quarter Ended				
	30-Jun-22	30-Sep-22	31-Dec-22	31-Mar-23	30-Jun-23
Perpetual License Upfront & Others	48.0	45.7	71.6	49.8	36.0
Subscription & Support	269.4	240.8	304.2	270.4	277.1
Professional Services	16.4	17.1	21.8	22.0	19.4
Total Revenue*	333.8	303.6	397.6	342.3	332.5

- **Perpetual License upfront and others** revenue includes upfront revenue recognized from perpetual licenses and compliance revenues.
- **Subscription and Support** revenue includes all term subscription revenues, support revenues (including those attributable to perpetual licenses) and Software-as-a-Service (SaaS) revenues.
- Revenue share from **IP Partnerships** is included in respective lines above based on the information provided by the partners.

HCLSoftware ARR	Quarter Ended				
	30-Jun-22	30-Sep-22	31-Dec-22	31-Mar-23	30-Jun-23
ARR*	987.4	976.7	1,024.8	1,028.2	1038.3
ARR Growth YoY CC	4.2%	2.9%	3.0%	5.2%	4.7%

Annual Recurring Revenue (ARR) is the annualized value of all term subscription licenses, support obligations (including those attributable to perpetual licenses) and Software-as-a-Service (SaaS) contracts that are active on the last day of the quarter. In respect of IP Partnerships, ARR is computed based on annualized value of HCL's revenue share of the revenue reported by the partners for support services and new license sales in the current quarter. ARR excludes upfront revenue recognized on sale of perpetual licenses, professional services and any other non-recurring revenue.

ARR is an operating metric, which should be viewed independently of revenue and is not a forecast of future revenues. Growth in ARR may not always be reflected in Revenue growth.

Services Revenue Mix and Growth for Quarter ended 30-Jun-23

Services Revenue down 1.0% QoQ & up 7.1% YoY in Constant Currency

By Geographies

Details	30-Jun-22	31-Mar-23	30-Jun-23	YoY CC Growth	QoQ CC Growth
Americas	64.2%	63.8%	64.5%	7.3%	0.2%
Europe	27.8%	28.9%	28.7%	10.5%	(2.4%)
ROW	8.0%	7.3%	6.8%	(6.0%)	(6.2%)

By Verticals

Details	30-Jun-22	31-Mar-23	30-Jun-23	YoY CC Growth	QoQ CC Growth
Financial Services	21.1%	21.2%	22.6%	14.4%	5.1%
Manufacturing	18.3%	19.0%	19.9%	16.5%	3.6%
Lifesciences & Healthcare	16.4%	17.5%	17.5%	13.4%	(1.3%)
Technology and Services	15.4%	14.4%	13.4%	(7.0%)	(7.8%)
Public Services [#]	10.2%	10.2%	10.0%	6.8%	(2.2%)
Retail & CPG	9.4%	9.0%	9.1%	3.2%	0.3%
Telecommunications, Media, Publishing & Entertainment	9.2%	8.8%	7.6%	(11.7%)	(14.4%)

[#] Public Services include Energy & Utilities, Travel - Transport - Logistics and Government.

Client Metrics

Number of Million Dollar Clients (LTM)	30-Jun-22	31-Mar-23	30-Jun-23	YoY Change	QoQ Change
100 Million dollar +	17	19	20	3	1
50 Million dollar +	42	46	48	6	2
20 Million dollar +	127	131	127	-	(4)
10 Million dollar +	218	229	237	19	8
5 Million dollar +	353	375	390	37	15
1 Million dollar +	880	939	947	67	8

Client Contribution to Revenue (LTM)	30-Jun-22	31-Mar-23	30-Jun-23
Top 5 Clients	11.2%	10.1%	9.8%
Top 10 Clients	19.4%	17.7%	17.2%
Top 20 Clients	28.9%	27.8%	27.2%

Days Sales Outstanding	30-Jun-22	31-Mar-23	30-Jun-23
Days Sales Outstanding*	65	66	64

* Excluding unbilled receivables

Focus on AI and generative AI:

From chip design to data center optimization to AI applications and models
(more than 70 projects in pipeline – from POCs to implementations)



Ecosystems and Education

- AI and GenAI alliances across ecosystems: Google Cloud, Microsoft, AWS, Nvidia, IBM
- Training over 20,000 employees on GenAI capabilities



Applications, Data & Analytics

- Building, testing, scaling intelligent enterprise-wide systems
- Mitigation of privacy and ethics-related challenges with AI-enabled governance



Systems & Product Engineering

- Developing AI-enabled systems and product engineering services
- Focus on computer vision, NLP, generative AI, MLOps and trustworthy AI offerings



Infrastructure and Operations

- Developing core infrastructure, intelligent operations and digital services
- Focus on AI-enabled search, retrieval of critical data, knowledge summary, content translation



HCL Software Products

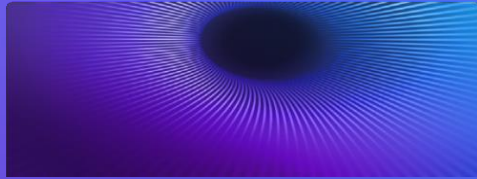
- Infusing/embedding AI and generative AI capabilities in software products
- Delivering products across business cloud, hybrid data cloud, AppDev/compose cloud and intelligent automation cloud

Additional focus on emerging and disruptive technologies



Pioneering 5G

- Proof of concepts delivered with 5G tier 1 and tier 2 operators
- SI and deployment partner with leading tech OEMs and enterprises



Quantum Computing

- Quantum consulting services
- Quantum incubation projects
- Proof of concepts and quantum IP development
- Certification program for quantum developers



IndustryNeXT IoT Framework

- Delivering value across
- IT-OT convergence
 - Connected platforms
 - Cognitive supply chain
 - Digital manufacturing
 - Sustainability and immersive experiences



Low Code Platforms

- Over 100 proof-of-concepts developed
- Enables citizen developers
- Transforms collaborative work into professionally governed solutions

Key Deal Wins

In Q1 FY24, HCLTech won **18 large deals – 7 in services and 11 in software** – across industry verticals such as Life Sciences and Healthcare, Public Services, Technology and Services, Manufacturing, Financial Services, and Retail & CPG. Among them:



- A U.S.-based healthcare company selected HCLTech for a significant digital transformation and managed IT services mandate. HCLTech will enhance the client's customer experience and business productivity by modernizing IT-enabled and order-to-cash processes.



- A Europe-based global insurance company selected HCLTech to deliver digital workplace transformation and digital foundation services across its operations. HCLTech will provide automated virtualization services, end-to-end device application lifecycle management, support services for mission-critical legacy applications and manage the client's infrastructure and security operations across the globe.



- A Fortune 50 healthcare company selected HCLTech as the strategic partner for managing its end-to-end IT infrastructure, cloud and security services. HCLTech will consolidate these services from multiple vendors and streamline them to transform business operations for the client.



- A Middle East-based government entity has significantly expanded its relationship with HCLTech as part of its vendor consolidation initiative. As part of a multi-year, end-to-end digital transformation engagement, HCLTech will modernize and manage the client's technology infrastructure and applications, creating a resilient and scalable digital foundation.



- A Fortune 500 manufacturing company has expanded its partnership with HCLTech to manage engineering application landscape for the client and deploy AR/VR-based experience management solutions to deliver enhanced end-user experience to the client's global employee base.



- A global financial services company has selected HCLTech as a digital transformation partner. HCLTech will help the client accelerate its journey to a hybrid cloud environment and build a secure and resilient technology architecture in new technologies to serve customers with digital-first experiences.



- A U.S.-based public utility trust expanded its partnership with HCLTech for migration of its existing SAP ECC system to the new SAP S4 HANA system on the RISE platform to cover critical business functions like customer care, billing, field services and digital channels to help improve the overall user experience.



- An Australian government organization extended its partnership with HCLSoftware for leveraging the hybrid data platform to support its application development and management and underlying data infrastructure.



- A large Asian stock exchange selected HCLSoftware's DX platform to support their digital transformation journey and the growing trading volume.



- A Europe-based global financial services company has expanded its partnership with HCLSoftware for its Latin America operations. The client will leverage the Unica marketing automation platform to serve its growing customer base through digital-first banking services.



- An Australian government organization selected HCLSoftware as its digital transformation partner. HCLSoftware's digital solutions and low code platform VoltMX will support the organization in workplace experience transformation.



- An Australia-based retailer selected HCLSoftware's HCL Commerce to augment its retail functionalities and to offer superior in-store and online shopping experiences to its customers. HCLSoftware will consolidate the client's online business operations/processes on HCL Commerce.

People Metrics

Details (Quarter ended)	30-Jun-22	30-Sep-22	31-Dec-22	31-Mar-23	30-Jun-23
Total People Count	210,966	219,325	222,270	225,944	223,438
Technical	197,226	205,305	207,920	211,445	209,066
Sales and Support	13,740	14,020	14,350	14,499	14,372
Net Addition	2,089	8,359	2,945	3,674	(2,506)
Freshers Added	6,023	10,339	5,892	4,480	1,597
Attrition (LTM)*	23.8%	23.8%	21.7%	19.5%	16.3%
Women Employees (%)	28.3%	29.0%	29.2%	29.2%	29.0%

*Note: Attrition excludes involuntary attrition and Digital process operations.

DiversityInc

HCLTech recognized under the 'Top Regional Companies 2023 Index' in DiversityInc's Specialty Lists. The Top Regional Companies list is specific to companies with a certain geographic footprint

In Q1 FY24, more than 10,000 unique employees leveraged HCLTech's Value Creation Portal—a unique grassroots innovation platform that enables employees to contribute ideas and create value for HCLTech and its clients—generating, reviewing, and approving 2,800+ ideas and implementing 1,050+ ideas that delivered customer signed-off value worth \$200 million.

Continuing its tradition of ideapreneurship and a culture of innovation, in Q1 FY24 a total of 21 patents were filed and granted (10 filings, 11 grants).

Analyst Recognitions

HCLTech has received **65+** leadership positions in analyst recognitions for the quarter which we believe further strengthens our credentials to be a partner of choice for large enterprises in their cloud and digital transformation journey.

Digital Business

- HCLTech Positioned as a Leader in Everest Group's Microsoft Dynamics 365 Services PEAK Matrix® Assessment 2023
- HCLTech Positioned as a Leader in Avasant's Salesforce Implementation Services 2023 RadarView™
- HCLTech Positioned as a Leader in Everest Group's Enterprise Blockchain Services PEAK Matrix® Assessment 2023
- HCLTech Positioned as a Leader in Everest Group's Healthcare Data and Analytics Services PEAK Matrix® Assessment 2023
- HCLTech Positioned as a Leader in Everest Group's Medical Devices Digital Services PEAK Matrix® Assessment 2023
- HCLTech Positioned as a Leader in Avasant's Internet of Things Services RadarView™
- HCLTech Positioned as a Leader in Avasant's AR/VR/XR Services 2023 RadarView™
- HCLTech Positioned as a Leader in Avasant's Media & Entertainment Digital Services 2023-2024 RadarView™
- **HCLTech Positioned as a Leader in ISG Provider Lens™**
 - ISG Provider Lens™ Salesforce Ecosystem Partners – Multicloud Implementation and Integration Services for Large Enterprises – U.K. 2023
 - ISG Provider Lens™ SAP Ecosystem – Managed Platform and Cloud Services for SAP ERP – U.S. , Nordics 2023
 - ISG Provider Lens™ SAP Ecosystem – SAP S/4HANA System Transformation – Large Accounts – U.S. ,U.K. 2023
 - ISG Provider Lens™ Microsoft Cloud Ecosystem – Power Platform Services – U.S. & U.K. 2023
 - ISG Provider Lens™ Microsoft Cloud Ecosystem – Dynamics 365 Services – U.S.,U.K., Australia , Singapore & Malaysia 2023

Analyst Recognitions

Digital Foundation

- HCLTech Positioned as a Leader in Gartner® Magic Quadrant™ for Data Center Outsourcing and Hybrid Infrastructure Managed Services, Worldwide*
- HCLTech Positioned as a Leader in Everest Group's Asset and Wealth Management IT Services PEAK Matrix® Assessment 2023
- HCLTech Positioned as a Leader in Avasant's Applied AI Services RadarView™
- HCLTech Positioned as a Leader in Avasant's Cybersecurity Services 2023 RadarView™
- **HCLTech Positioned as a Leader in ISG Provider Lens™**
 - ISG Provider Lens™ ServiceNow Ecosystem Partners – ServiceNow Implementation & Integration Services – Germany 2023
 - ISG Provider Lens™ Private/Hybrid Cloud – Data Center Services – Managed Services for Large Accounts – U.S., U.K., Nordics 2023
 - ISG Provider Lens™ Network – Software Defined Solutions and Services – Edge Technologies and Services – U.K. 2023
 - ISG Provider Lens™ Network – Software Defined Solutions and Services – Managed SD-WAN – U.K. 2023
 - ISG Provider Lens™ Network – Software Defined Solutions and Services – SDN Transformation Services (Consulting & Implementation) – U.K. 2023

Digital Operations

- HCLTech Positioned as a Leader in Everest Group's Unstructured Document Processing Products PEAK Matrix® Assessment 2023
- HCLTech Positioned as a Leader in Avasant's Banking Process Transformation 2023 RadarView™

ERS Recognitions

- HCLTech Positioned as a Leader in Everest Group's 5G Engineering Services PEAK Matrix® Assessment 2023: The Next Frontier in the Hyperconnected Era
- HCLTech Positioned as a Leader in Avasant's Manufacturing Smart Industry Services 2023 RadarView™
- **HCLTech Positioned as a Leader in ISG Provider Lens™**
 - ISG Provider Lens™ Digital Engineering Services – Integrated Customer/User Engagement – U.S. & Europe 2023
 - ISG Provider Lens™ Digital Engineering Services – Platforms and Applications Services – U.S. & Europe 2023
 - ISG Provider Lens™ Digital Engineering Services – Design & Development (Product, Services, Experience) – U.S. & Europe 2023

HCLSoftware

- HCLSoftware is named a Major Contender in the Everest PEAK Matrix for Digital Commerce Platform, 2023
- HCLSoftware is a Major Player in the IDC MarketScape: Worldwide Full Stack CMS 2023 Vendor Assessment (doc #US50827723, June 2023)
- Actian is recognized as a Contender in The Forrester Wave™: Cloud Data Warehouses, Q2, 2023

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Awards and Recognitions

- HCLTech was ranked among the Top 10 Most Sustainable Companies in India in a study by Businessworld and Sustain Labs, Paris.
- HCLTech was recognized as the global runner-up for its communication strategy towards its employees and stakeholder ecosystem during the pandemic at the 'Duty of Care Awards 2023' hosted by International SoS. HCLTech was also shortlisted among the top companies worldwide in the COVID-19 Agility and Response category.
- HCLTech won the Fluid Workplace 2023 SIIA CODiE Award in Best Emerging Technology Category for Virtuality.
- HCLTech won Fluid Workplace 2023 Globee® Awards for Information Technology, under five categories - (1) Customer Service Innovation (2) Business Analytics Services (BAS) (3) Virtual Reality and Augmented Reality (4) Information Technology Thought Leadership of The Year (5) Most Valuable Response by IT Team of the Year (IT or Security).
- HCLTech received multiple recognitions for cybersecurity solutions: Fortinet (OT Partner of the Year – North America), Microsoft Security (Identity Trailblazer – Finalist), BeyondTrust (Trifecta Award) and CyberArk (Global MSP Partner of the Year).
- HCLTech won the Trifecta Award from BeyondTrust for outstanding Privilege Access Management services.
- HCLTech won the System Integrator of the Year Award from Hewlett Packard Enterprise.
- HCLTech won the Intel's EPIC Distinguished Supplier Award.
- HCLTech won Dell Technologies 2023 Global Partner of the Year Awards in three categories: Excellence in New Business Development – Global, Excellence in Expansion – EMEA, and Excellence in New Business Development – Americas.
- HCLTech was recognized as an AWS Web Application Firewall Service Delivery Partner.
- HCLTech won the Keystone Partner of the Year for UK & Ireland from NetApp.
- HCLTech received recognition as a Service Delivery Partner for AWS Control Tower.
- HCLTech received the AWS Cloud Operations Competency recognition.



Supercharging Progress for Our Communities and Planet



HCLTech won the National Water Award 2022 for its water conservation and management initiatives in India through community action and innovative technologies

India initiatives through HCL Foundation

HCL Samuday

- 16 women-led dairy milk collection centers established.
- 8,200 adults enrolled in the adult literacy program.
- 132 primary schools in Thoothukudi, Tamil Nadu were equipped to run smart classes covering 9,659 students.
- Integrated liquid waste management work initiated in 12 new ponds in Hardoi, Uttar Pradesh, benefiting 16,856 people.
- 34,227 consultations facilitated through telemedicine centers and mobile health clinics.

HCL Uday

- HCL Foundation and National Co-operative Union of India (NCUI) signed an MoU to establish skill development centers to offer training on sustainable income-generation activities.
- Community Health Centre (CHC), Indira Nagar, Lucknow supported by HCL Foundation, won the 'Kayakalp' award 2022-23 by the Ministry of Health and Family Welfare, Govt of India.

Clean Noida

- 569,900 kg solid waste managed in Noida;
- 11,220 Noida residents sensitized on sustainable waste management practices.

HCL Harit

- Launched national level 'Generation for Climate Action' initiative in partnership with the Centre for Environment Education for promoting sustainability and climate education and action in schools.
- HCL Foundation renewed its partnership with the National Mission for Clean Ganga and Indian National Trust for Art and Cultural Heritage to bolster native biodiversity in Uttarakhand.

Special Initiatives

- My E-Haat: Customer orders worth over ₹ 1.2 million booked.
- Power of One: 1,450+ employee volunteering hours clocked
- Sports for Change: Five athletes, including four para-athletes, represented India at international competitions; 10 athletes won medals at national-level competitions

Global initiatives



Americas:

- World Hunger Day: HCLTech teamed with Feeding America, The Global FoodBanking Network and other local organizations to support hunger relief. Total 240 HCLTech volunteers from 14 cities across Brazil, Canada, Guatemala, Mexico and the U.S. collectively donated 32,200+ meals, 26,000+ pounds of fresh produce and dry goods, providing nutritious food to 5,000+ individuals and supporting 700+ families with food and essential packages.
- HCLTech volunteers helped plant native trees and shrubs in local greenspaces.
- HCLTech employees made financial donations to help organize brain and heart surgeries for people from underprivileged communities.

Europe:

- HCLTech Romania employees joined the MiniMove for Alexandra campaign to crowdsource financial assistance for a child needing critical medical care by auctioning lavender-based bio products.
- HCLTech Romania partnered with PyLadies to help more women become active participants in the Python open-source community.
- HCLTech Bulgaria supported the New Forest of Sofia initiative with tree planting drives.

Annexure

Constant Currency Reporting (Quarter ended)

(Amount in US\$ Million)

HCLTech Revenue	30-Jun-22	30-Sep-22	31-Dec-22	31-Mar-23	30-Jun-23
Reported Revenue (US\$ Mn)	3,024.9	3,082.1	3,244.0	3,234.6	3,200.0
Growth % (CC)					
QoQ	2.7%	3.8%	5.0%	(1.2%)	(1.3%)
YoY	15.6%	15.8%	13.1%	10.5%	6.3%
HCLTech Services Revenue					
Reported Revenue (US\$ Mn)	2,704.3	2,793.7	2,862.2	2,906.6	2,882.7
Growth % (CC)					
QoQ	2.3%	5.3%	2.2%	0.6%	(1.0%)
YoY	19.0%	18.9%	15.4%	10.6%	7.1%
Average Rates for the Quarter					
USD - INR	77.62	79.98	82.34	82.30	82.17
GBP - USD	1.25	1.17	1.19	1.22	1.25
EUR - USD	1.06	1.00	1.03	1.07	1.09
USD - SEK	9.89	10.68	10.63	10.40	10.60
AUD - USD	0.71	0.68	0.66	0.68	0.67

Financials in ₹ for the Quarter ended 30-Jun-23 (Ind AS)

Consolidated Income Statement

(Amount in ₹ Crores)

Income Statement	Quarter Ended			% of Revenue		
	30-Jun-22	31-Mar-23	30-Jun-23	30-Jun-22	31-Mar-23	30-Jun-23
Revenues	23,464	26,606	26,296	100.0%	100.0%	100.0%
Direct Costs	15,066	16,889	16,936	64.2%	63.6%	64.4%
Gross Profits	8,398	9,717	9,360	35.8%	36.4%	35.6%
Research & Development	391	438	394	1.7%	1.6%	1.5%
SG & A	3,032	3,416	3,579	12.9%	12.9%	13.6%
EBITDA	4,975	5,863	5,387	21.2%	21.9%	20.5%
Depreciation & Amortization	983	1,027	927	4.2%	3.9%	3.5%
EBIT	3,992	4,836	4,460	17.0%	18.1%	17.0%
Foreign Exchange Gains/(Loss)	82	(40)	(22)	0.3%	(0.2%)	(0.1%)
Other Income, net	263	397	258	1.1%	1.5%	1.0%
Provision for Tax	1,056	1,214	1,165	4.5%	4.6%	4.4%
Non-controlling interest	(2)	(2)	(3)	0.0%	0.0%	0.0%
Net Income	3,283	3,983	3,534	14.0%	14.9%	13.4%
EPS (LTM in ₹)						
Basic	50.09	54.85	55.78			
Diluted	50.06	54.79	55.70			

Cost Breakup in ₹ for Quarter Ended 30-Jun-2023

(Amount in ₹ Crores)

Particulars	Quarter Ended			% of Revenue		
	30-Jun-22	31-Mar-23	30-Jun-23	30-Jun-22	31-Mar-23	30-Jun-23
Employee benefits expense	12,978	14,665	15,014	55.3%	55.2%	57.1%
Outsourcing costs (Subcontractors + Outsourced Work)	3,593	3,786	3,628	15.3%	14.2%	13.8%
Cost of hardware and software sold	346	563	535	1.5%	2.1%	2.0%
Travel and conveyance	262	350	383	1.1%	1.3%	1.5%
Software license fee	244	263	231	1.0%	1.0%	0.9%
Facility Cost*	284	295	293	1.2%	1.1%	1.1%
Recruitment, training and development	158	113	94	0.7%	0.4%	0.4%
Legal and professional charges	150	134	157	0.6%	0.5%	0.6%
Communication costs	124	132	134	0.5%	0.5%	0.5%
CSR Expense	65	59	74	0.3%	0.2%	0.3%
Doubtful debts	14	6	10	0.1%	0.0%	0.0%
Other expenses	270	377	356	1.1%	1.4%	1.3%
Depreciation & Amortization	983	1027	927	4.2%	3.9%	3.5%
Total Costs	19,472	21,770	21,836	83.0%	81.9%	83.0%
EBIT	3,992	4,836	4,460	17.0%	18.1%	17.0%

Note: *Facility cost includes Repairs and Maintenance, Power and Fuel, and Rent

Financials in US\$ for the Quarter ended 30-Jun-23 (IFRS)

Consolidated Income Statement

(Amount in US\$ Million)

Income Statement	Quarter Ended			% of Revenue		
	30-Jun-22	31-Mar-23	30-Jun-23	30-Jun-22	31-Mar-23	30-Jun-23
Revenues	3,024.9	3,234.6	3,200.0	100.0%	100.0%	100.0%
Direct Costs	1,941.9	2,056.3	2,061.0	64.2%	63.6%	64.4%
Gross Profits	1,083.0	1,178.3	1,139.0	35.8%	36.4%	35.6%
Research & Development	50.4	53.2	47.9	1.7%	1.6%	1.5%
SG & A	390.9	415.9	435.6	12.9%	12.9%	13.6%
EBITDA	641.7	709.1	655.5	21.2%	21.9%	20.5%
Depreciation & Amortization	126.6	125.0	112.8	4.2%	3.9%	3.5%
EBIT	515.0	584.1	542.7	17.0%	18.1%	17.0%
Foreign Exchange Gains/(Loss)	10.5	(5.0)	(2.6)	0.3%	(0.2%)	(0.1%)
Other Income, net	33.9	49.2	31.4	1.1%	1.5%	1.0%
Provision for Tax	136.1	147.8	141.8	4.5%	4.6%	4.4%
Non-controlling interest	(0.3)	(0.3)	(0.3)	0.0%	0.0%	0.0%
Net Income	423.7	480.9	430.0	14.0%	14.9%	13.4%
EPS (LTM in ₹)						
Basic	50.09	54.85	55.78			
Diluted	50.06	54.79	55.70			

Cost Breakup in US\$ for Quarter Ended 30-Jun-2023

(Amount in US\$ Million)

Particulars	Quarter Ended			% of Revenue		
	30-Jun-22	31-Mar-23	30-Jun-23	30-Jun-22	31-Mar-23	30-Jun-23
Employee benefits expense	1,672.8	1,786.2	1,827.1	55.3%	55.2%	57.1%
Outsourcing costs (Subcontractors + Outsourced Work)	463.4	460.3	441.5	15.3%	14.2%	13.8%
Cost of hardware and software sold	44.6	68.5	65.1	1.5%	2.1%	2.0%
Travel and conveyance	33.8	42.7	46.6	1.1%	1.3%	1.5%
Software license fee	31.5	32.0	28.2	1.0%	1.0%	0.9%
Facility Cost*	36.6	35.8	35.7	1.2%	1.1%	1.1%
Recruitment, training and development	20.4	13.7	11.4	0.7%	0.4%	0.4%
Legal and professional charges	19.4	16.3	19.1	0.6%	0.5%	0.6%
Communication costs	16.0	16.0	16.4	0.5%	0.5%	0.5%
CSR Expense	8.4	7.3	9.1	0.3%	0.2%	0.3%
Doubtful debts	1.8	0.8	1.2	0.1%	0.0%	0.0%
Other expenses	34.7	45.9	43.1	1.1%	1.4%	1.3%
Depreciation & Amortization	126.6	125.0	112.8	4.2%	3.9%	3.5%
Total Costs	2,509.9	2,650.5	2,657.3	83.0%	81.9%	83.0%
EBIT	515.0	584.1	542.7	17.0%	18.1%	17.0%

Note: *Facility cost includes Repairs and Maintenance, Power and Fuel, and Rent

Consolidated Balance Sheet (₹ and US\$)

Particulars	In ₹ Crores		In US\$ Million	
	As on 31-Mar-23	As on 30-Jun-23	As on 31-Mar-23	As on 30-Jun-23
Assets				
Cash and Cash Equivalents	9,065	8,171	1,103	994
Accounts Receivables, net	19,572	18,639	2,381	2,272
Unbilled Receivables	5,934	6,069	722	740
Treasury Investments	13,647	13,699	1,661	1,670
Other Current Assets	5,359	5,554	652	676
Total Current Assets	53,577	52,132	6,520	6,352
Property and Equipment, net	5,411	5,186	659	632
Right-of-use assets	2,337	2,300	284	280
Intangible Assets, net	26,911	26,537	3,276	3,236
Treasury Investments	378	1	46	-
Deferred Tax Assets	1,252	1,097	152	134
Other Investments (incl. equity method investment)	110	118	14	14
Other Assets	3,435	3,558	418	433
Total Assets	93,411	90,929	11,370	11,081
Liabilities & Stockholders Equity				
Total Current Liabilities	20,420	19,002	2,485	2,315
Borrowings	2,251	2,208	274	270
Lease Liabilities	2,535	2,568	308	313
Other Liabilities	2,807	2,724	342	332
Total Liabilities	28,013	26,502	3,409	3,230
Non-Controlling Interests	(7)	(9)	(1)	(1)
Total Stockholders Equity	65,405	64,436	7,962	7,852
Total Equity	65,398	64,427	7,961	7,851
Total Liabilities and Equity	93,411	90,929	11,370	11,081

Consolidated Cash Flow Summary & Cash Position

Particulars	In ₹ Crores		In US\$ Million	
	For Year Ended March 2023	For Quarter Ended June 2023	For Year Ended March 2023	For Quarter Ended June 2023
Profit Before Tax	19,488	4,696	2,413	572
Adjustments for:				
Depreciation, Amortization and Impairment	4,145	927	514	113
Others	(620)	(197)	(78)	(24)
Changes in Assets and Liabilities, net:				
Accounts Receivable and Unbilled Receivable	(3,240)	729	(400)	89
Other Assets and Liabilities	1,934	(1,553)	241	(189)
Income Taxes paid (Net of refunds)	(3,698)	(632)	(460)	(77)
Net Operating Cash Flow	18,009	3,970	2,230	484
Purchase of Property, Plant and Equipment and Intangibles	(1,661)	(282)	(206)	(34)
Free Cash Flow	16,348	3,688	2,024	450
Payments for Acquisitions	(738)	(2)	(96)	-
Dividend paid	(12,995)	(4,871)	(1,614)	(593)
Gross Cash & Net Cash				
Cash & Cash Equivalents	9,065	8,171	1,103	994
Fixed Deposits including Deposits under lien	8,638	8,855	1,051	1,079
Investment Securities	5,385	4,843	655	590
Gross Cash	23,089	21,869	2,810	2,664
Less: Borrowings	2,251	2,208	274	269
Net Cash	20,838	19,661	2,536	2,394



About HCLTech

HCLTech is a global technology company, home to more than 223,438 people across 60 countries, delivering industry-leading capabilities centered around digital, engineering, cloud and AI, powered by a broad portfolio of technology services and products. We work with clients across all major verticals, providing industry solutions for Financial Services, Manufacturing, Life Sciences and Healthcare, Technology and Services, Telecom and Media, Retail and CPG, and Public Services. Consolidated revenues as of 12 months ending June 2023 totaled \$ 12.8 billion. To learn how we can supercharge progress for you, visit hcltech.com.

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