

HCL Technologies Limited

CMP : Rs 952.60

July 27, 2018

OPM improves y-o-y, but falls q-o-q

Sequentially HCL Technologies registered 14% rise in consolidated sales to Rs 13878 crore for the quarter ended June 2018.

OPM fell 150 basis points to 23.3% which saw OP rise 7% to Rs 3237 crore.

Other income grew 8% to Rs 325 crore. After providing for depreciation (up 11% to Rs 476 crore), PBT grew 7% to Rs 3066 crore.

Provision for taxation fell 2% to Rs 635 crore after which PAT grew 9% to Rs 2431 crore.

YoY quarterly results

On yoy basis, sales grew 14%. OPM improved 120 basis points which saw OP grow 20. PBT grew 11% and net profit went up 10%..

FY 2018 results

In FY 2018, HCL Technologies registered 6% rise in sales to Rs 50569 crore. OPM improved 40 basis points to 22.2% which saw OP grow 8% to Rs 11246 crore. PBT grew 4% to Rs 11011 crore. Provision for taxation jumped 19% to Rs 2302 crore after which PAT grew 1% to Rs 8709 crore.

Guidance

FY'19 Revenues are expected to grow between 9.5% to 11.5% in Constant Currency

Revenue Guidance is based on FY'18 (April to March) average exchange rates.

The above constant currency guidance translates to 8.4% to 10.4% in USD terms based on June 30, 2018 rates.

FY'19 expected Operating Margin (EBIT) range is from 19.5% to 20.5%.

The Operating Margin guidance assumes USD-INR currency rate of \$1 = Rs 66.0 and other currencies at FY'18 average exchange rates.

INDEX DETAILS

SENSEX	37336.85
NIFTY (S&P CNX)	11278.35

SCRIP DETAILS

Industry	IT Consulting & Software
Mkt Cap (Rs in Crore)	134186.23
Book Value (Rs)	197.96
Free Float (%)	39.82
Avg Vol Weekly (NSE)	2476589
52 Week H/L (NSE)	1106.60 / 825.10
Dividend Yield (%)	1.25
BSE Code	532281
NSE Code	HCLTECH

SHAREHOLDING PATTERN(%)

PARTICULARS	LATEST QUARTER	PREVIOUS QUARTER
Promoters	60.18	60.18
FIIs	26.24	26.54
DIIs	9.69	9.78
Others	3.89	3.50
Totals	100	100

Price Comparison with Sensex



HCL Technologies: Consolidated Results

Particulars	Q1FY19	Q4FY18	Var. (%)	Q1FY18	Var. (%)	FY18	FY17	Var. (%)
Sales	13878	12149	14	12149	14	50569	47568	6
OPM (%)	23.3	24.9		22.2		22.2	21.8	
OP	3237	3022	7	2694	20	11246	10384	8
Other Inc.	325	302	8	313	4	1217	1075	13
PBIDT	3562	3324	7	3007	18	12463	11459	9
Interest	20	19	5	18	11	69	89	-22
PBDT	3542	3305	7	2989	19	12394	11370	9
Dep.	476	429	11	227	110	1383	828	67
PBT before EO	3066	2876	7	2762	11	11011	10542	4
EO	0	0	--	0	-	0	0	--
PBT	3066	2876	7	2762	11	11011	10542	4
Tax	635	646	-2	552	15	2302	1936	19
PAT	2431	2230	9	2210	10	8709	8606	1
Share assoc. cos	0	0	--	0	-	13	0	100
Net profit	2431	2230	9	2210	10	8722	8606	1
EPS * (Rs)	69.8	64.1		63.5		62.6	764.3	

NOTES

DISCLAIMER

This Document has been prepared by **Capital Market Publishers India Pvt. Ltd.** (the company) and is being distributed in India by **Shriram Insight Share Brokers Limited.** (hereinafter referred to as "SISBL"). This document is not, and should not be construed, as an offer to sell or solicitation to buy any securities. This document may not be reproduced, distributed or published, in whole or in part, without prior permission from the Company. SISBL does not guarantee that the document is complete or accurate and it should not be relied on as such. Investors should make his/her own research, analysis and investigation as he/she deems fit and reliable to come at an independent evaluation of an investment (including the merits, demerits and risks involved), and should further take opinion of their own consultants, advisors to determine the advantages and risks of investment. SISBL, its affiliates, group companies, directors, employees, agents or representatives shall not be held responsible, liable for any kind of consequential damages whether direct, indirect, special or consequential including but not limited to lost revenue, lost profits, notional losses that may arise from or in connection with the use of the information in the document.

Shriram insight Share Brokers Limited.

SEBI Reg. No. : NSE-CM [INB 230947033] | BSE-CM [INB 010947035] | NSE-F&O [INF 230947033] | NSE_CDS [INE231348633]

Main Office : Ck-15, Sector-II, Salt Lake City, Kolkata-700091.