



HFCL Limited

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HFCL/SEC/23-24
February 02, 2024

The BSE Ltd. 1 st Floor, New Trading Wing, Rotunda Building Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai - 400001 corp.relations@bseindia.com Security Code No.: 500183	The National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor, C - 1, Block G Bandra - Kurla Complex, Bandra (E) Mumbai - 400051 cm1ist@nse.co.in Security Code No.: HFCL
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RE: Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Subject: Earnings' Presentation

Dear Sir(s)/ Madam,

In terms of Regulation 30 read with Para A of Part A of Schedule III to the SEBI Listing Regulations, we hereby submit a copy of the **Earnings' Presentation** on, *inter-alia*, the **Un-audited Financial Results of the Company for the 3rd Quarter and Nine Months ended December 31, 2023, of the Financial Year 2023-24**, both on **Standalone and Consolidated basis**, to be discussed during the **Earnings' Call** scheduled to be held on **Friday, February 02, 2024 at 04:00 p.m.**

It may be noted that the Board of Directors of the Company has, considered and approved the aforesaid Financial Results of the Company, in its meeting held on February 01, 2024.

We request to take the above information on your records and disseminate the same on your respective websites.

Thanking you,

Yours faithfully,
For HFCL Limited

(Manoj Baid)
President & Company Secretary

Encl: Earnings' Presentation

Jan
2024

HFCL

Investor Presentation

HFCL LIMITED

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**HFCL at a
Glance**



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ESG / CSR



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HFCL at a glance

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Key Customers

Order book

HFCL – At a Glance

A leading innovation - led technology enterprise

Integrated communication products and solutions provider

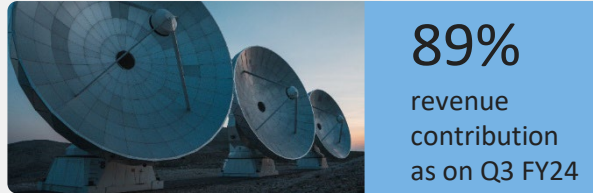
Innovative product offerings



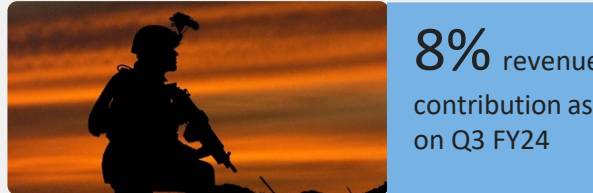
Comprehensive digital network solutions



Key Sectors



Public Communication



Defense



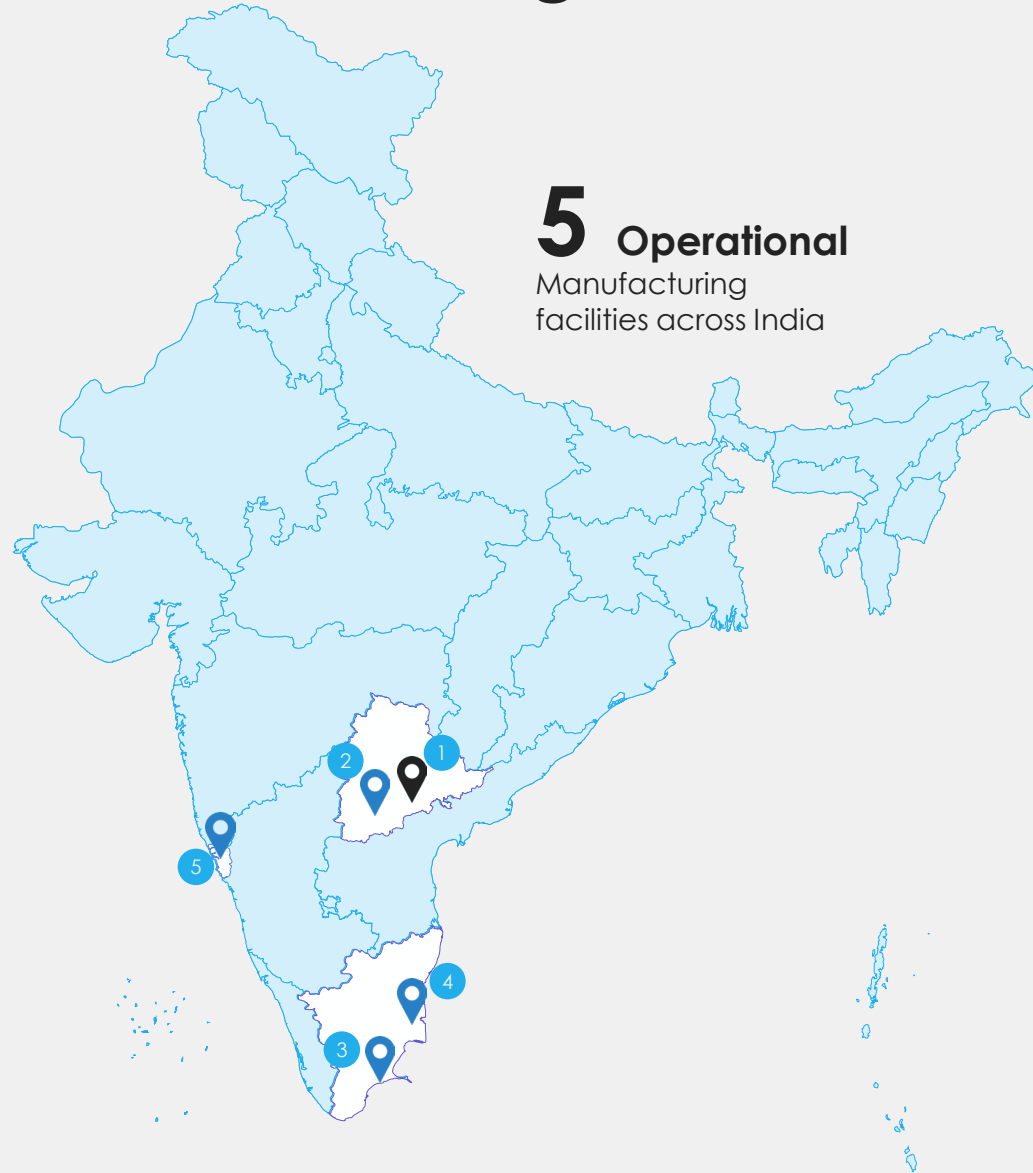
Railways

Largest market share in Optic Fibre Cable (OFC) supplies in India in FY22 and FY23

One of the largest manufacturers of Wi-Fi access points and Unlicensed band radios in India

Leading technology company that offers end-to-end solutions establishing network required for defense communication in India

Manufacturing Facilities across India



HYDERABAD, TELANGANA 2 facilities

- 5.2 mn fkm/annum Optic Fiber Cables
- 432k cable km/annum FTTH Cables
- 12 mn fkm/annum Optic Fiber production



CHENNAI, TAMIL NADU

- (Through subsidiary company HTL Ltd)
- 11.88 mn fkm/annum Optic Fiber Cables
 - 270k cable km/annum - FTTH Cables
 - Passive connectivity solutions



HOSUR, TAMIL NADU

- (Through subsidiary company HTL Ltd)
- 660km/annum Aramid Reinforced Plastic (ARP) Rods
 - 504k km/annum Fiber Reinforced Plastic (FRP) Rods
 - 2,700 MT/ annum Impregnated Glass Fiber Reinforcement (IGFR)
 - 24k MT/ annum Polymer Compound

All above are raw materials for optical fibre cable



VERNA, GOA

- 8 mn fkm/annum Optic Fiber Cables

Product Offerings

Telecommunication Products



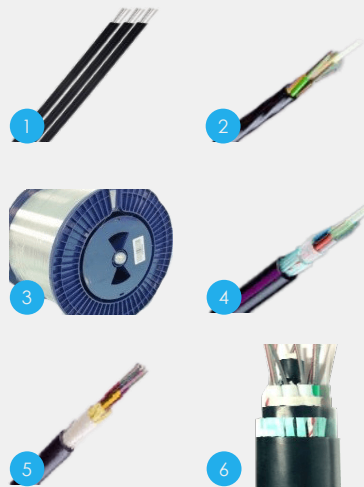
1. Point to Point and Point to Multipoint backhaul radio
2. Indoor & Outdoor Wi-Fi 5 and 6 Access Points
3. Cloud based Network management system
4. Ethernet L2/L3 Switches
5. Home Mesh Router
6. 5G Indoor & Outdoor FWA CPE
7. Cell Site Router /Access Router, Aggregation Router

Defense Electronics Products



1. Thermal Weapon Sights (TWS)
2. Electronic Fuses
3. High capacity radio relay
4. VMS & Video Analytics
5. Ground Surveillance Radar

Optic Fiber/ Optical Fibers Cables



1. Optic Fiber
2. Armoured and Unarmoured Cable
3. Micro Cable
4. Micro Module Cable
5. Ribbon Cable
6. FTTH Cable
7. IBR Cable

Passive Connectivity Solutions



1. Cable Assemblies
2. High Density Cabinets
3. Fiber Termination Box
4. PLC Splitters
5. Joint Closures
6. Aerial/ FTTH Accessories

Aerospace & Automotive - Wire Harness Portfolio



1. Aerospace and Defense cable assemblies
2. Automotive and Industrial Parts

Products Under Development



Telecommunication

- 5G Macro Radio Unit Products (8T8R)
- 5G Indoor & Outdoor Small Cell (2T2R and 4T4R)
- Ultra High Capacity Point-to-point and Point-to-Multipoint UBRs
- Wi-Fi 7 Access Points



Defense Communication & Electronics

- Software defined radio

Network Solution Offerings



Public Telecommunication



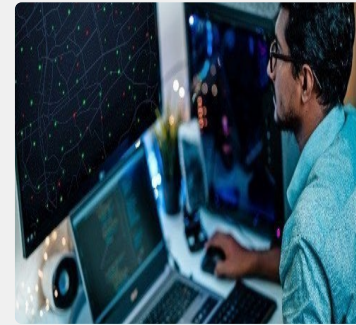
Deployment of comprehensive solutions for building of **wireless and optical telecommunications networks** including Optical Transport Network, Rural GSM Network, Fiber to the Home, In-building Solutions, Mobile Backhaul Networks.



Defense Communication



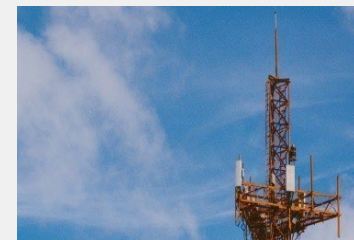
Optical Fiber Cable and Optical Transport Network



Fiber Monitoring & Management System



Internet Protocol Multi Protocol Label Switching Network



Microwave Broadband Radio



Railways Communication



Leveraging our telecommunications network experience as well as comprehensive project management capabilities to create modern communication and signaling systems for Metros, Main-line railways and Freight corridors

R&D backbone for futuristic Portfolio



Establishment of 3 R&D centres in Bengaluru, Hyderabad and Gurugram. Focus areas include 5G innovation and Telecommunication products.



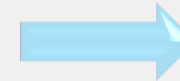
Investing in technology, creating patent portfolio and indigenous R&D capability.



Investing in development of various use cases for taking advantage of 5G technology such as 5G Lab as a service



**Strengthened
in-house R&D
team**



Specialization	No. of people
5G Business	121
Communication	102
Defence & Other Technologies	38
Optical Fibre Cable	40
Total	301

Key R&D Partnerships



Licensing for Open source Wi-Fi 7 products ; 5G millimeter wave FWA ; product development; 5G Outdoor Small Cell etc.



Partnership for 5G Transport Products



Partnership for 5G Small Cells



Partnership for 5G Small Cells



Design partner for Macro Radio, Wifi Access points, UBRs, Cloud management systems, Element management systems etc.



Partnership for Switches



Partnership for Software Defined Radios



Partnership for 5G Small Cells



Partnership for 5G indoor small cells



Partnership for Artificial Intelligence (AI) based Analytics



Partnership for 5G Transport products

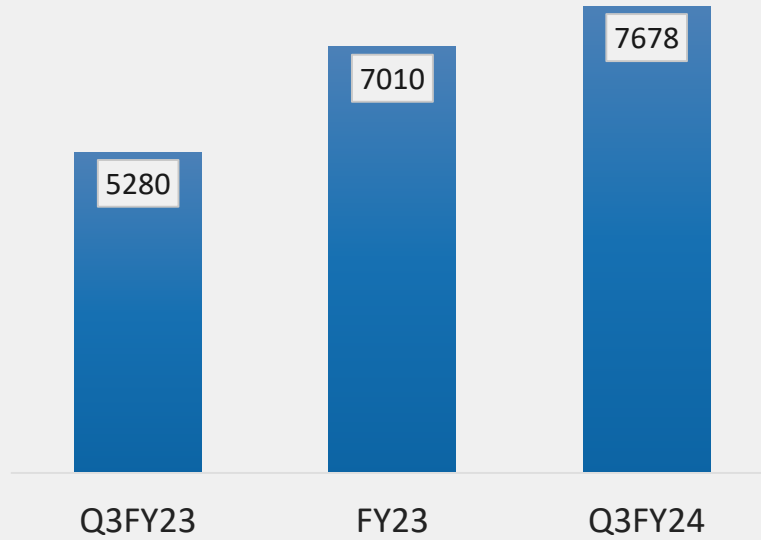


Partnership for chip, access and aggregation routers, L2/L3 Switches

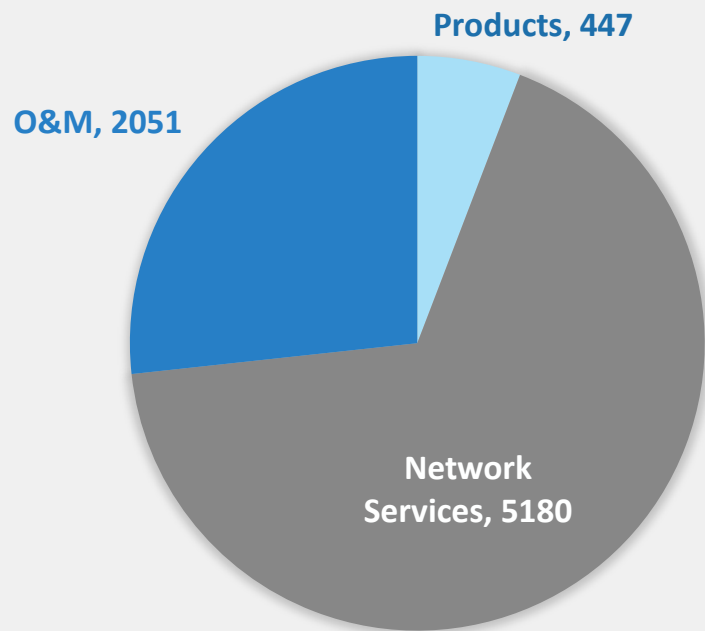
Key Customers



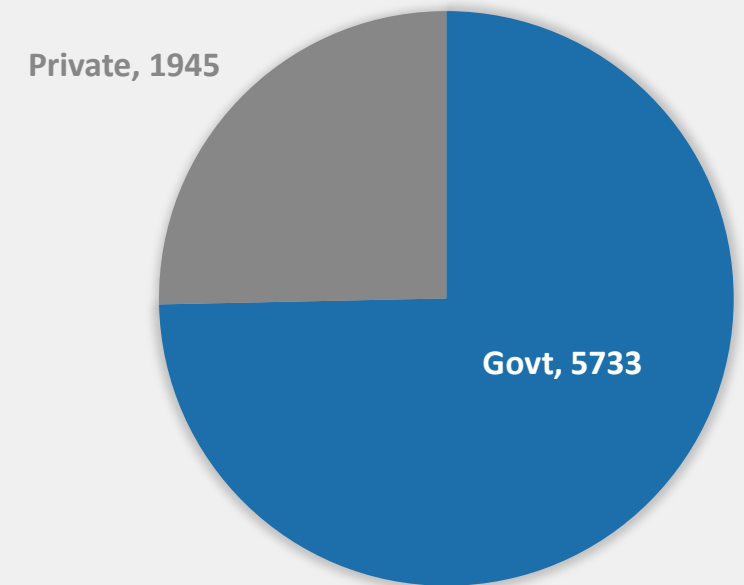
Order book



ORDER BOOK CATEGORY WISE



ORDER BOOK CUSTOMER WISE





Opportunity Landscape

Opportunity Landscape

Global Opportunities – EU & UK

Global Opportunities – US & Africa

Global opportunities - 5G

HFCL as a Global Provider

Domestic Telecom Market Opportunities

Significant OFC-related Project Opportunities

Domestic 5G Market Opportunities

Domestic Defense Market Opportunities

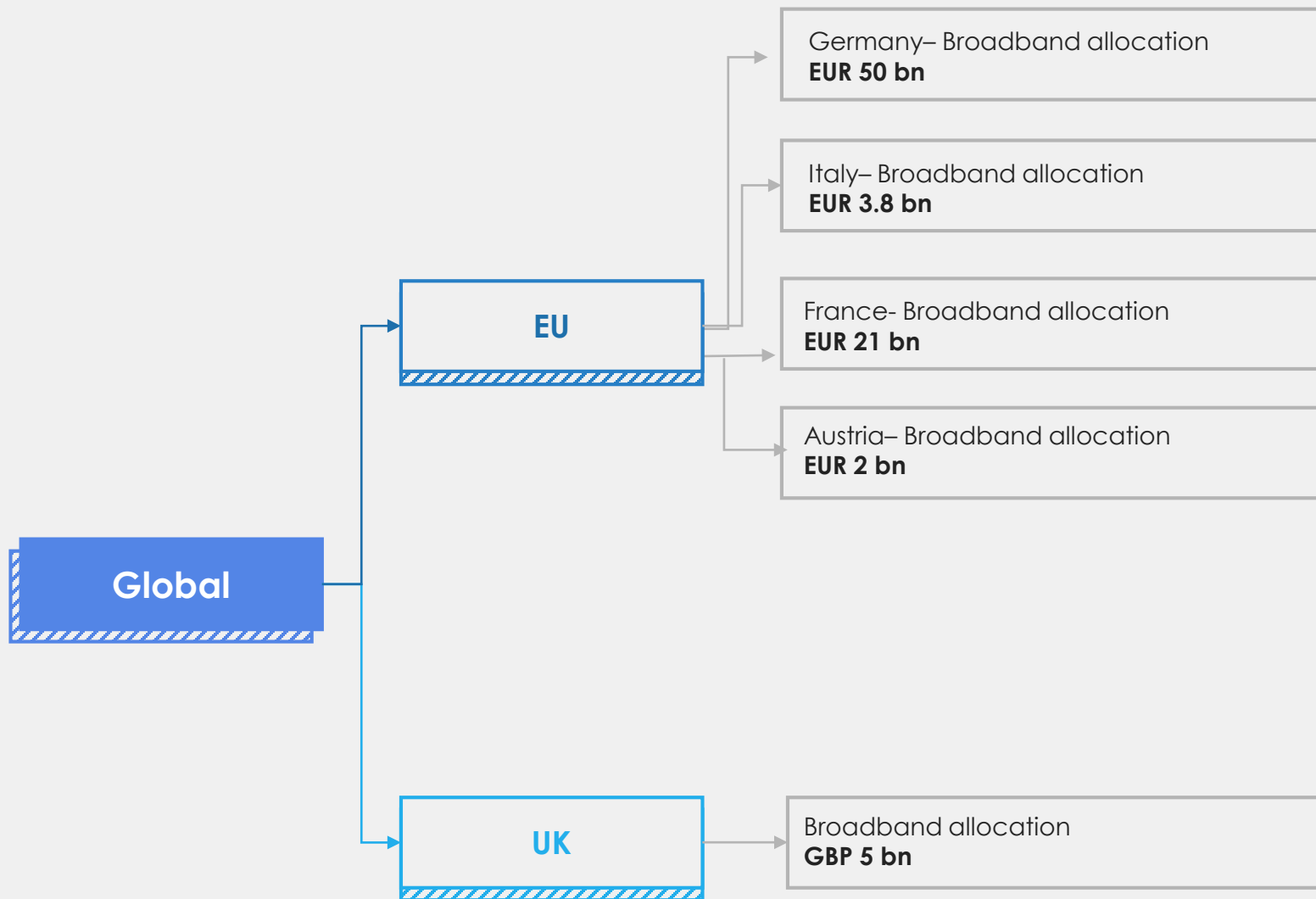
Domestic Railway Market Opportunities

Market Opportunity at a Glance

Opportunity Landscape



Global Opportunities – EU & UK



Germany – BMVI Nationwide Gigabit Plan

EUR 50 billion allocated for Fiber broadband deployments in Germany through 2025 to increase Fiber coverage from 5.4% of households to 50%. Of the total capital, EUR 12bn was committed by the federal government and rest from private capital sources.*

Italy – 1 Giga Plan

EUR 3.8 bn, allocated with the goal of providing connectivity at download speeds of 1 gigabit per second and upload speeds of 200 megabits per second, in grey areas by 2026.*

France – PFTHD (Plan France Très Haut Débit)

EUR 21 billion capital (of which EUR 13 billion to EUR 14 billion from public investments) aimed at covering the entire France, including all homes, businesses, and government offices, with high-speed broadband by 2025.*

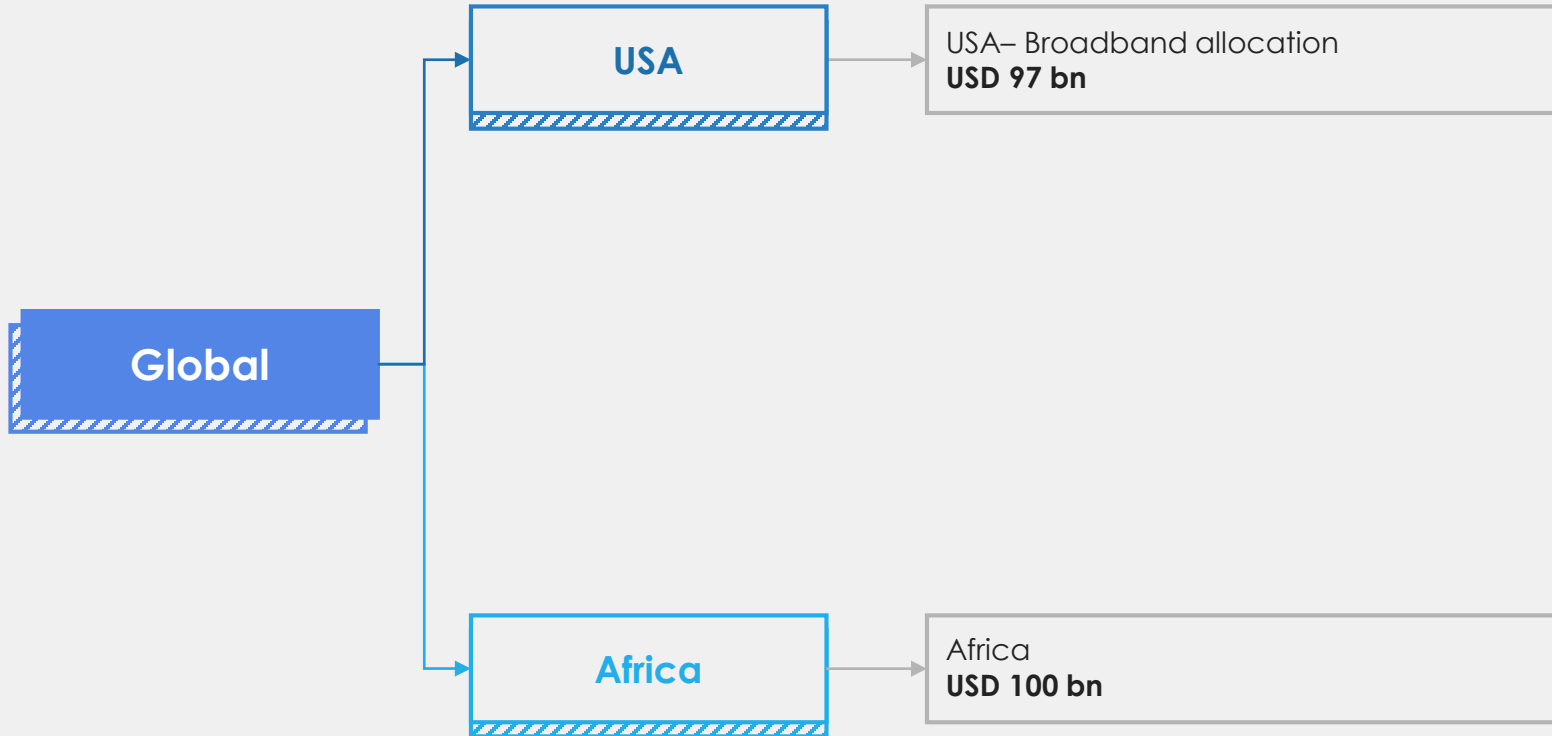
Austria – Symmetric Gigabit

The European Commission approved a EUR 2 billion aid scheme for Austria through the Recovery and Resilience Facility (RRF) to build passive infrastructure for fixed broadband access networks in areas with connectivity upto 100 Mbps

United Kingdom – Project Gigabit

GBP 5 billion capital allocated by the UK government to build next-generation gigabit broadband for over one million hard-to-reach homes and businesses with 85% coverage by 2025 and 100% by 2030.*

Global Opportunities – USA & AFRICA



USA

Under different federal programs, US is expected to distribute USD 97 bn of funding broadband infrastructure over the next 4-5 years. Main programs are Broadband Equity, Access and Deployment (BEAD) program (USD 42.5 bn) to support states expand the high-speed broadband service network, American Rescue Plan (USD 25 bn) to invest in affordable high-speed internet and connectivity

Africa

Less than a third of the population of Africa has access to broadband connectivity. As per World bank, Africa needs an investment of USD 100 bn by 2030 to provide universal, affordable, and quality broadband to all. **Leading countries in Africa – South Africa, Nigeria, Ghana, Kenya, Ethiopia, Tanzania and others are attracting investments to expand the optical fiber network.**

Global Opportunities - 5G

Impact/Opportunity capitalization

Addressable product segment

Portfolio under development

Cumulative TAM
(FY23-30)*

Modernization requirement for transformation of transport network for 5G

5G Transport products

- Cell Site Router
- DU (Distributed Unit) Aggregation Routers
- CU (Centralized Unit) Aggregation Routers

~USD **87.3** Bn

Compliant to 3GPP Release 16 and based on open standards like ORAN (Open RAN)

CSPs embracing ORAN to unlock innovation, for rapid roll out of innovative 5G services, and for supply chain diversity

5G RAN products

- 5G 8T8R/32T32R/64T64R Macro RU / mMIMO (Radio Unit)
- 5G 2T2R/4T4R Indoor Small Cell for FR1 (Sub 6 GHz) and FR2 (Millimeter Wave)
- 5G 2T2R/4T4R Outdoor Small Cell for FR1 and FR2
- FWA CPE (Indoor and Outdoor for FR1 & FR2)

~USD **281.8** Bn

5G ORAN space has multiple vendors and CSPs need SI services to certify interoperability & deliver end-to-end public/private 5G networks

Enterprises and industry verticals seek E2E services to realize automated operations with 5G enabled use-cases powered by Data, Analytics and AI

System Integration (SI) Services

- ORAN Integration Solution Provider
- Private 5G network for Enterprises
- 5G enabled solutions for specific industry verticals like Manufacturing, Defense, Railways, Smart Cities, etc
- Cloud based network management system

~USD **245.1** Bn

HFCL as a Global Provider

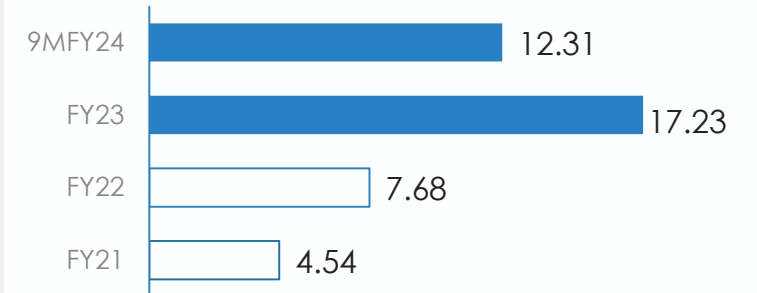
Our Global presence



- Operations in 45+ countries and 100+ clients globally
- Well established and long-term relations with domestic and foreign customers

Exports Revenue Share

(IN %)



- Distribution contracts across North America and Europe.
- Established subsidiaries in USA and Netherlands to cater to global demand, expand business operations
- Incorporated step down wholly owned subsidiary Company of HFCL Limited in Canada.

Domestic Telecom

Market Opportunities (Except 5G)

Opportunity

Growth Driver*

BharatNet Project

HFCL aided in deployment of Phase II which we believe makes us a **preferred prospective partner for Phase III**

← For FY24, the spending from the USOF is pegged at Rs 10,400 crore, over three times higher than the revised estimates for FY23. Currently, a major allocation of the USOF goes towards the BharatNet project

Increased Domestic demand for OFC for dedicated Right of Way (RoW) along the greenfield highways

← The National Highway Authority of India (NHAI) is likely to spend USD 1.5-2.0 bn to develop dedicated Right of Way (RoW) for Optical Fibre Cable along the greenfield and brownfield highway over the next 3-4 years.

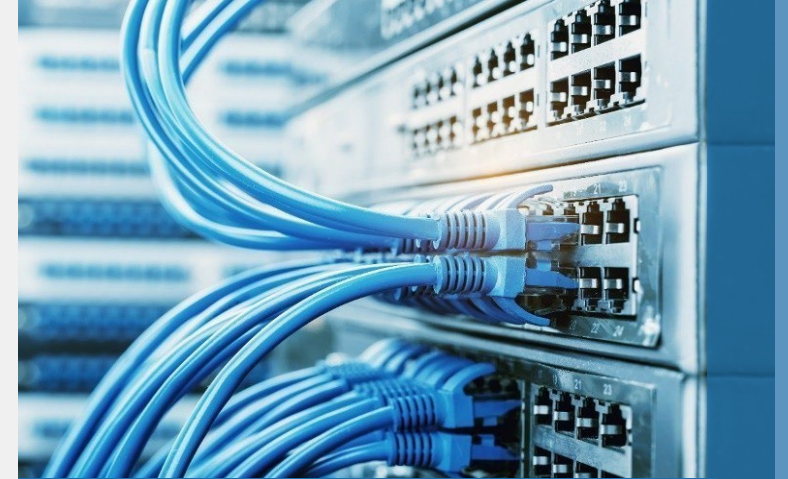
Increased Fiber to the Home (FTTH) Demand

Increased adoption of FTTH Services and emphasis on

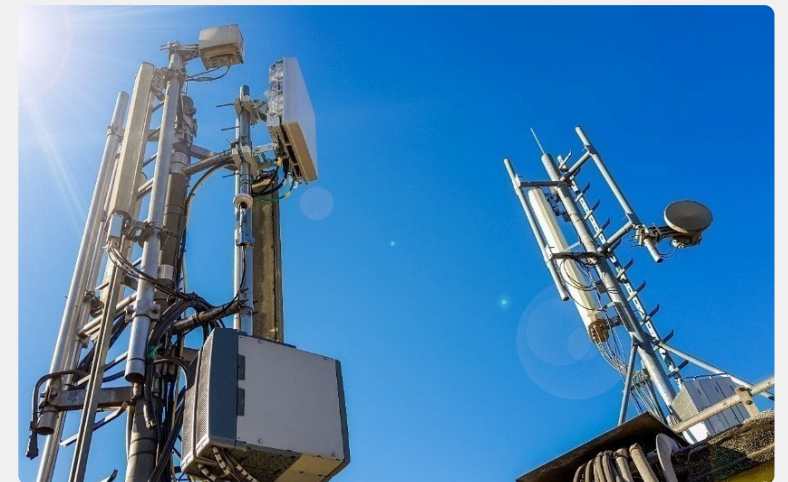
← Rural Broadband penetration seen as growth and margin expansion enablers

Network Expansion by **BSNL**

← The Government has approved the third revival package of USD 10.79 bn in June, 2023 as budgetary support towards spectrum. To boost the 4G and 5G infrastructure BSNL is expected to spend USD 1-2 bn each year over the next 4-5 years (around USD 6-8 bn).



~USD 16.1 bn TAM across FY23-FY30 for OF/OFC and Accessories*



~USD 18.2 bn TAM FY23-FY30 for Telecom Equipment *

Source data: Feedback Advisory

Significant OFC-related Project Opportunities

National Broadband Mission

Under National Broadband Mission as on 31 March 2023,

- Fiberization (lakh Kms) cumulative, was 37.26 Lakhs kms with the target of **50 Lakhs kms by FY 2025**;
- 7.6 Lakhs towers were installed with the target of **15 Lakhs towers by FY 2025**

High Bandwidth Demand resulting into High Fiberization of Towers

Newly launched 5G expected to increase bandwidth demand resulting into higher tower fiberization. It is expected that **tower fiberization will cross 70% from the current level of 38.06% as of 31 March 2023, acting as a demand driver for Optical Fiber Cables** (OFC Networks) and related solutions in the coming years

BharatNet Phase III

BharatNet is the world largest rural broadband project connecting 250,000-gram panchayats across the country.

For BharatNet, we completed the deployment of 7843 Km of OFC Network in Punjab and 7,733 Km in Jharkhand in BharatNet Phase -II and has been pivotal in bringing broadband connectivity to 3,200 villages in Punjab and 1789 villages in Jharkhand.

Under Bharatnet Phase III project, the tenders of approx. 6 lakh cable Kms have been floated by BSNL in 16 packages & remaining approx. 05 lakhs cable km shall be procured directly by the states. The value of present tender of BSNL is about 82,000 crores including capex and opex for 10 years. HFCL is eligible for all the 16 packages

- **Government of India expected to invest USD 10-12 Bn each year towards boosting the telecom infrastructure over the next 4-5 years (around USD 50 Bn by FY30)**
- **Estimated spend of USD 1.5-2.0 bn for OFC spend along highways for next 3 to 4 years**

Domestic Market Opportunities - 5G

Opportunity

Growth Drivers

Portfolio under development

Cumulative TAM (FY23-30)*

Networking product Demand

- 5G is expected to account for around 60 per cent of total mobile subscribers by FY2028 and 1,250 mn by FY 2030.
- Smartphone users are forecast to consume 65 GB of data per month on average by FY2030

- Cell Site Router
- DU (Distributed Unit) Aggregation Routers
- CU (Centralized Unit) Aggregation Routers

~USD **7.4** Bn

RAN product demand

- Jio plans to install 5G in 100 million homes through FWA over the next 4-5 years
- Public Wi-Fi services will be offered nationwide through Public Data Offices (PDOs)

- 5G 8T8R/32T32R/64T64R Macro RU / mMIMO (Radio Unit)
- 5G 2T2R/4T4R Indoor Small Cell for FR1 (Sub 6 GHz) and FR2 (Millimeter Wave)
- 5G 2T2R/4T4R Outdoor Small Cell for FR1 and FR2
- FWA CPE (Indoor and Outdoor for FR1 & FR2)

~USD **20.6** Bn

System Integration (SI) Service demand

- Indian enterprises expected to increase on 5g use cases spend including smart manufacturing, immersive content and cloud gaming
- Over 45 new data centres are expected to come up in India to increase the overall capacity by 1,000 MW by the end of 2025

- ORAN Integration Solution Provider
- Private 5G network for Enterprises
- 5G enabled solutions for specific industry verticals like Manufacturing, Defense, Railways, Smart Cities, etc.
- Cloud based network management system

~USD **18.6** Bn

Domestic Defense Market Opportunities

Opportunity

Growth Driver

Cumulative TAM (FY23-30)

Efforts to Modernize Indian Defense networks and systems and provide a boost to local manufacturers

- The Indian Defense capital expenditure was USD 19.0 Bn in FY 23 and is expected to reach USD 40.2 Bn by FY 30
- Record 75 per cent of the defence capital procurement budget has been earmarked for domestic industry in Financial Year (FY) 2023-24, up from 68 per cent in 2022-23.
- Import reduction from 65% by FY28 to 30% by FY32 on the back of initiatives like Aatmanirbhar Bharat, Make in India.
- Government listed a total of 310 items to be produced indigenously

~USD **2.8** Bn

Electronic fuses



~USD **30.6** Bn

Electro-Optics



Improved Market Expansion Opportunities

The Government of India has liberalized FDI under an automatic route up to 74 per cent and up to 100 per cent through the Government route

~USD **1.00** Bn

Software defined radio (SDR)



Domestic Railway Market Opportunities

Projects Available*

Dedicated Freight Corridors – Greenfield projects with 3 corridors

Growth Drivers & Overall Project Costs*

3 Dedicated Freight corridor projects with capital cost of USD 25 bn

Cumulative TAM (FY23-30)*

USD **0.85** Bn

Modernisation of signalling & telecommunication in Indian Railways

Automation of 15k kms rail signaling Train Collision Avoidance System 'KAVACH' to be installed on 37,000 km. An overall investment of INR 700 bn (USD 8.5 bn) was unveiled recently and is likely to be implemented over the next 5-7 years

USD **0.97** Bn

~35 global Metro Rail projects in execution, planning and proposed stage

Overall Metro projects worth USD 40 bn spread over the next 2-10 years

USD **3.0** Bn

8 RRTS projects proposed, 3 being considered for immediate implementation

2 in financial approval stage

USD **0.4** Bn



Market Opportunity at a Glance

	Cumulative FY 23-30 (USD Bn)*		% CAGR FY 23-30	
	Global	Domestic	Global	Domestic
Telecom Products				
A) OFC/OFC Accessories	189.39	16.10	≈7.19%	≈11.30%
B) 5G Products				
Networking Products	87.28	7.44	≈47.24%	≈58.63%
RAN Products	281.83	20.60	≈38.50%	≈72.64%
System Integration (SI) Service demand	245.06	18.57	≈23.11%	≈65.49%
C) Telecom Equipment (Except 5G)	840.10	18.23	≈8.86%	≈9.62%
Defense Products				
Electronic Fuses	32.44	2.84	≈16.52%	≈7.57%
Electro-Optics	170.51	30.64	≈7.57%	≈14.04%
SDR	83.40	1.00	≈8.45%	-
Railway Communication	5.20	2.20	-	-

Takeaways – Opportunities for HFCL to capture larger share in a growing market



Strategic Priorities

Strategic Priorities

Expanding Product Portfolio

Expanding Global Reach

Increased Manufacturing Capabilities

Focus on R&D

Shift in Revenue Mix

Strategic Priorities



Expanding Product Portfolio



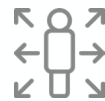
Increased Manufacturing Capabilities and high-level backward integration



Shift in Revenue Mix



Expanding Global Reach



Focus on R&D



Improving Profitability and rationalizing Working Capital

Expanding Product Portfolio



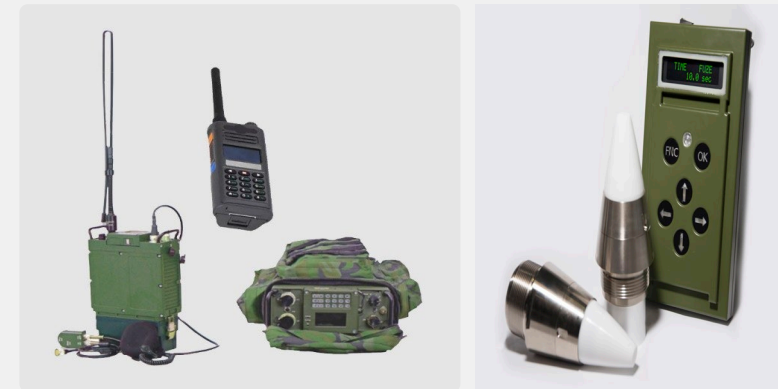
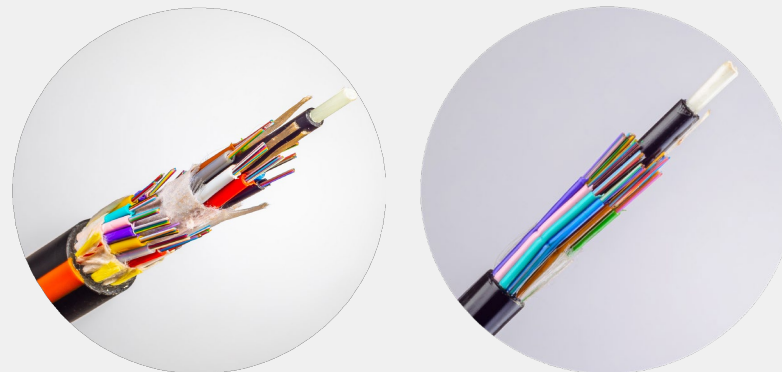
Significant investments for new product developments including **Wi-Fi-7 enabled access points, radio access and transport products.** These products will be compatible with 5G networks.



Fresh initiatives to develop new types of optical Fiber cables for exports, alongside ensuring **high level of backward integration**



Thermal weapon sights and ground surveillance radars already developed and development of software-defined radios is under progress



Expanding Global Reach



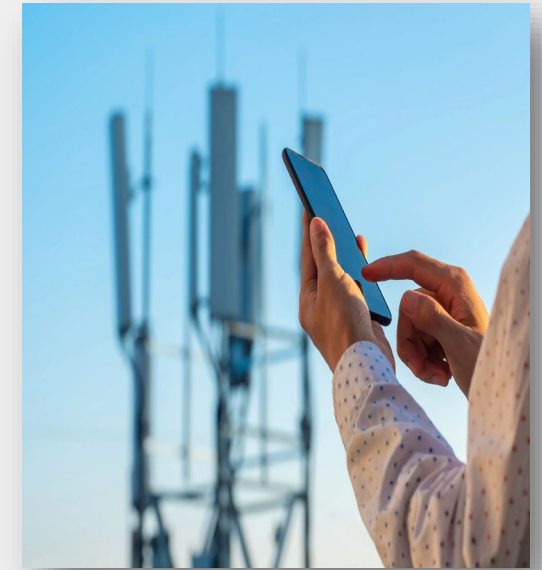
Exports constitute 12.31 % of total revenue in 9MFY24 and has **grown at a CAGR of 88.02% in last three financial years**



Establishing subsidiaries and branch offices across the Globe and also appointing distributors and channel partners targeting incremental product demand globally and business expansion



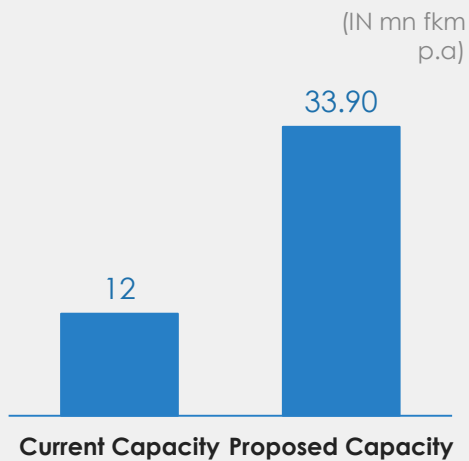
Focused on new geographies, especially **Europe, North America and Africa as a focused potential market**



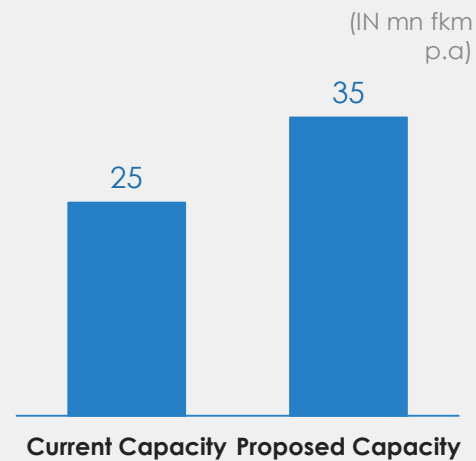
Expanding Manufacturing Capabilities



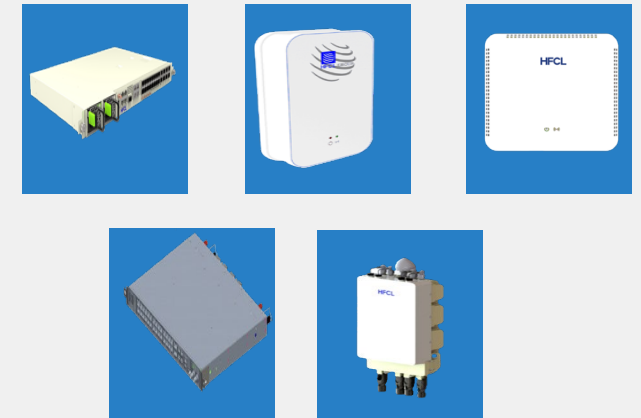
Planned expansion of manufacturing capacity of Optical fibre



Planned Optical Fibre Cable capacity expansion

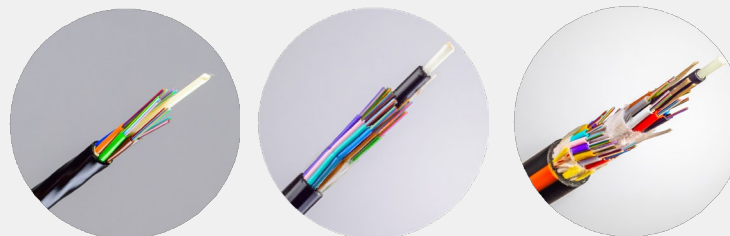


Setting up of new facility in NCR region for the manufacture of Telecom and Networking products



Further strengthening of backward integration

- Reduce dependence on external suppliers for manufacturing of Optical Fiber Cables
- Higher Quality Assurance of finished goods
- Yield better margins



- Cumulative TAM of ~550bn USD both globally and in India by FY28.
- Targeting revenue of Rs. 800 - Rs.1000 crores in FY24-25 compared to Rs.122 crores as on Dec '23 from existing product portfolio.
- Eligible for PLI benefits by manufacturing these products

Shift in Revenue Mix



Increased business from Private Entities in alignment with **market demand**

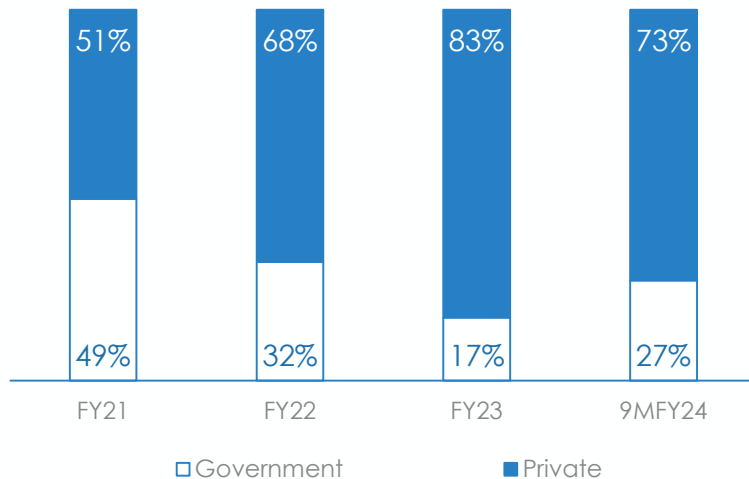


Increased focus on Export-led revenue generation by leveraging on global demand

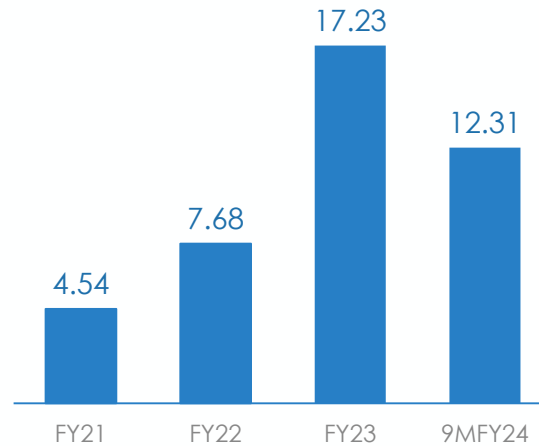


Shift from Project-led revenue to Product-led revenue - Increase in product revenue will facilitate **lower working capital, quicker realization and margin expansion**

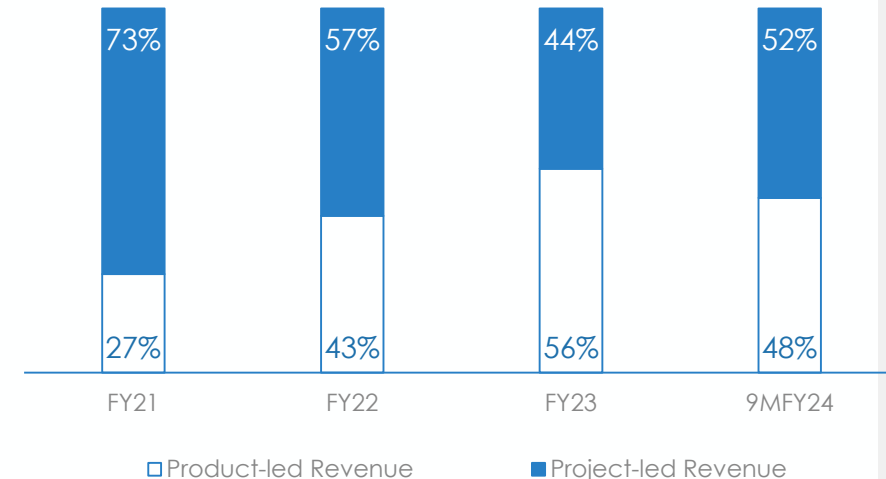
Increasing revenue share from Private Customers* (IN %)



Exports Revenue Share (IN %)



Shift towards Product-led Revenue (IN %)





Competitive Advantage

Why is HFCL Preferred? (1/2)



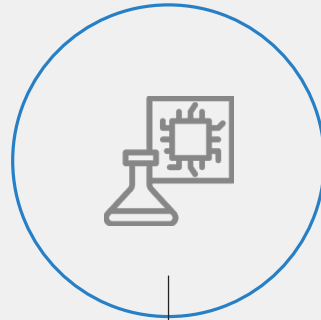
Market Leader

- One of the largest manufacturers of Optical Fiber Cable in India
- One of the largest manufacturers of Wifi Access points and UBR along with other telecom products in India



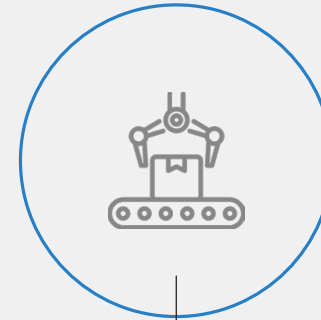
Long term customer relationship

- Partner for Reliance Jio in North India for rolling out of backbone and backhaul of OFC and FTTH network



In-House R&D

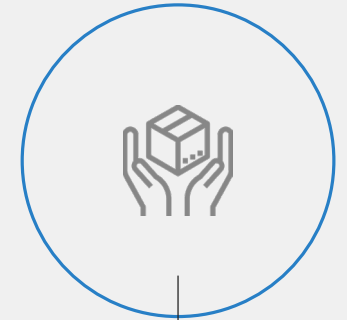
- Tech centric R&D driven company
- 301 strong R&D team as of 30th Dec 2023
- 3 R&D centres at Bengaluru, Hyderabad and Gurugram
- R&D partnership with reputed companies
- 5G product portfolio developed inhouse



Integrated Manufacturing

Manufacturing key products under one roof

- Optical Fiber Cable
- Optic Fiber
- FTTH cables
- FRP Rods/ARP Rods/IGFR Yarns
- Polymer Compound
- Passive Connectivity Solution Products
- Telecom and Networking Products manufacturing currently through OEM Partners



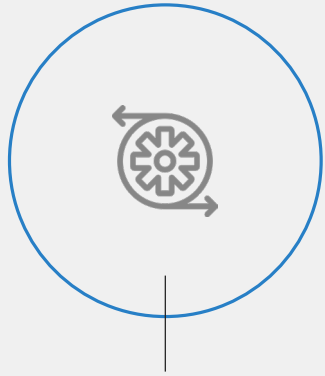
End to End Network Provider

Proven capabilities under same roof for

- Executing concept to completion of projects
- Delivering products

Aiming to be at the forefront of Global Technological revolution through innovation

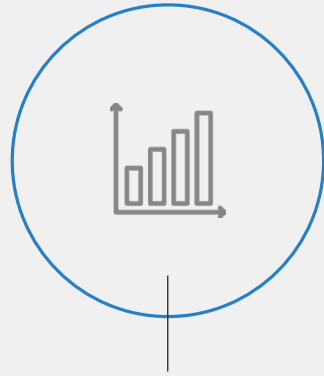
Why is HFCL Preferred? (2/2)



Backward Integration

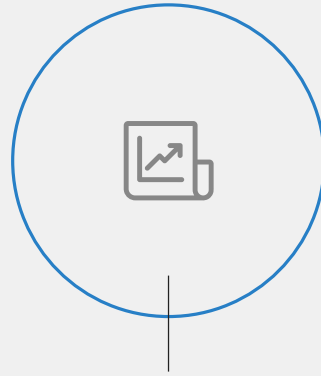
Key raw materials produced inhouse thereby acting as higher margin drivers

- Optical Fiber
- Polymer Compound
- FRP Rods/ ARP Rods/ IGFR Yarns



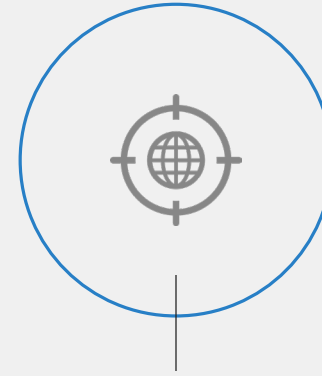
Healthy Financials

- Debt: Equity Ratio of 0.26x
- Signifies Low credit risk and comfortable capital structure



Strong Order Book

- Strong Order Book of ₹ 7678 crores diversified across Telecom, Defense and Railways
- Providing revenue visibility for the medium term



Global Focus

- Exports revenue share stands at 12.31% in 9MFY24
- Established subsidiaries in USA and Netherlands for marketing its products globally
- Incorporated step down wholly owned subsidiary Company of HFCL Limited in Canada.

Building the Network Highway to power Indian and global communication infrastructure



Environment Social Governance

ESG

CSR

Roadmap for Environment Sustainability

HFCL's management has developed a clear roadmap with targeted initiatives for various manufacturing facilities to reduce the Company's environmental footprint and boost savings.

Facility Location	Sustainability Initiatives	Expected Outcomes
Hyderabad	Installation of a 1 MW solar system set to be operational by FY25	<ul style="list-style-type: none"> Saving of 1.5 million units of energy per annum Reduction of 1,215 metric tonnes of emissions
	Shifting from conventional microwave lamps to LED UV lamps starting by March 2024	<ul style="list-style-type: none"> Emission reduction by 5,022 metric tonnes each year Saving of 6.2 million units of energy per year
	Zero-waste landfilling through responsible waste management	Waste reduction and potential to reduce carbon dioxide emissions up to 124 metric tonnes in FY24
Goa	Transition to solar energy with 40% of total energy consumption from this source	Expected carbon dioxide emission reduction of up to 3,240 metric tonnes
Chennai and Hosur (HTL Limited, HFCL's subsidiary)	Transition to solar-wind hybrid model of 10 MW capacity to accelerate renewable energy integration from 80% to 90% by FY25	Expected emission reduction of up to 14,580 metric tonnes

ESG as a Prime Directive

Reduced Energy Consumption

- Replacement of conventional lighting by LED across facilities and offices
- Sustainable manufacturing through initiatives such as installation of high efficiency compressed air suction devices reducing noise and usage of compressed air

Improved Waste Management

- Partnership with Greentek Reman for e-waste management



Sustainable Packaging

- Utilization of corrugated paper sheet instead of plastic during the process of packaging and reengineering of packaging drums to save wood and fuel
- Paperless data recording in Optical Fiber and Cables testing, recording being directly from the test equipment to the PC via software.

Improved Water Management

- Continuous water recycling in both Goa and Hyderabad manufacturing facilities through an efficient recycling process, reducing freshwater consumption.
- 35 KL/day and 30 KL/day Sewage Treatment Plants (STP) for recycling wastewater for gardening purposes both at Hyderabad and Goa Plant respectively.
- Constructed a rainwater harvesting system and a green landscape at Hyderabad.

CSR: Giving Back to Society

Healthcare Aid

- Running Mobile Medical units at different locations for providing preventive healthcare facilities in remote areas.
- Providing support for Corrective surgeries and open heart surgeries at St. Stephen's Hospital, New Delhi and National Heart Institute, New Delhi respectively.

₹ 35 Cr.

CSR Spend across 9 years



Education Initiatives (Past and current)

- **PROJECT SAMARTH:**
- Adopted specially-abled children and providing grants for their education.
- Providing Computer Skill Training to the underprivileged youth at our Computer Learning Centers in Ghazipur (U.P.)
- Education & prevention of malnutrition amongst street children
- To facilitate the delivery of high-quality digital education, our PEHAL project is dedicated to enhance the infrastructure of government schools in Ghaziabad, Churu and Ghazipur by providing them with the state-of-the-art smart classrooms.

Old Age Care

- Constructed a women wing and provided financial assistance to SHEOWS (Saint Hardyal Educational and Orphan Welfare Society, Delhi), an Old Age Home that provide care for approximately 500 abandoned senior citizen

Societal Welfare

- **Welfare for Stray Animals** – Providing food, shelter, treatments, sterilizations & rehabilitation facilities for stray animals



Financials

[Q3FY24 Key Highlights - Consolidated](#)

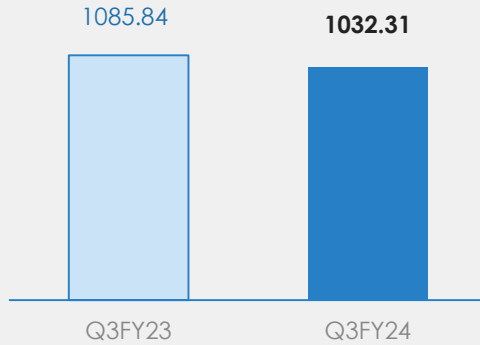
[Q3FY24 Consolidated Income Statement](#)

[9MFY24 Key Highlights - Consolidated](#)

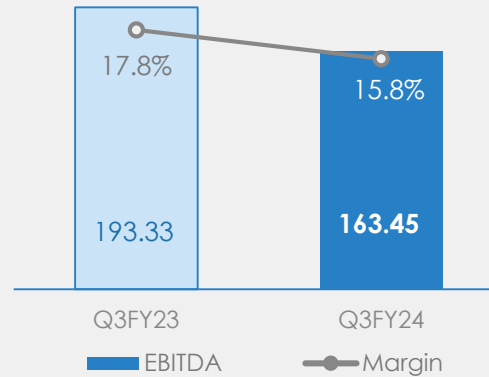
[9MFY24 Consolidated Income Statement](#)

Q3FY24 Key Highlights - Consolidated

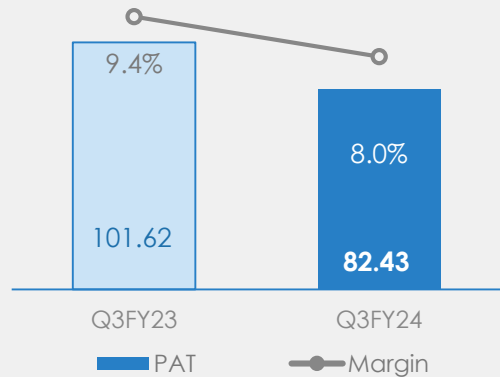
Total Revenue (₹ IN CRORES)



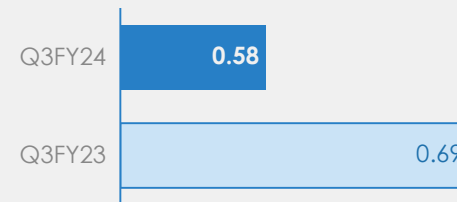
EBITDA & Margin (₹ IN CRORES & %)



PAT & Margin (₹ IN CRORES & %)



Diluted EPS (IN ₹)



- Bagged orders more than ~ **INR 1800** crores from leading **telecom operators in India**.
- Unveiled a suite of **next-gen connectivity and 5G backhauling products** like FWA CPE, 5G Small cell, Point to point UBR during India Mobile Congress 2023.
- Launched 1728 fibre **Intermittently bonded ribbon cables**.
- Incorporated step down wholly owned subsidiary Company of **HFCL Limited in Canada**.

Q3FY24 - Consolidated Profit & Loss Statement

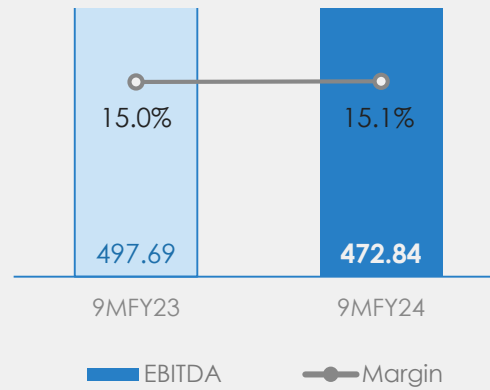
Particulars (₹ IN CRORES)	Q3FY24	Q2FY24	Change Q-o-Q	Q3FY23	Change Y-o-Y
Revenue from Operations	1,032.31	1,111.49	-7.12%	1,085.84	-4.93%
Other Income	46.72	17.17		24.33	
Total Income	1079.03	1,128.66	-4.40%	1,110.17	-2.80%
Total Expenses	915.58	978.89		916.84	
EBITDA	163.45	149.77	9.13%	193.33	-15.46%
EBITDA Margin (%)	15.83%	13.47%	236Bps	17.80%	-197Bps
Depreciation	19.27	21.45		20.13	
Finance Cost	36.55	34.78		37.03	
Share of net profits / (loss) of JV's accounted using equity method	0.23	0.64		0.75	
Exceptional Items	-	-		-	
PBT	107.86	94.18	14.53%	136.92	-21.22%
PBT Margin (%)	10.45%	8.47%	198Bps	12.61%	-216Bps
Tax	25.43	24.01		35.30	
Profit after Tax	82.43	70.17	17.47%	101.62	-18.88%
PAT Margin (%)	7.99%	6.31%	168Bps	9.36%	-137Bps
Other Comprehensive Income	(0.24)	0.51		(0.05)	
Total Comprehensive Income	82.19	70.68	16.28%	101.57	-19.08%
EPS (Diluted ₹)	0.58	0.50	16.00%	0.69	-15.94%

9MFY24 Key Highlights - Consolidated

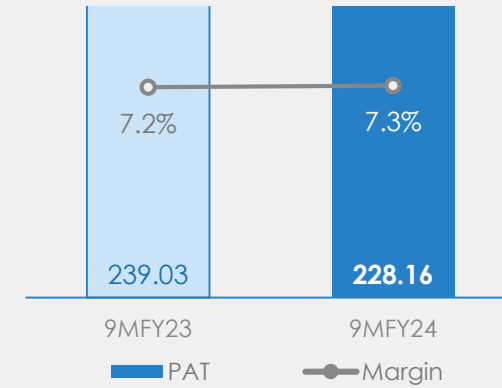
Total Revenue (₹ IN CRORES)



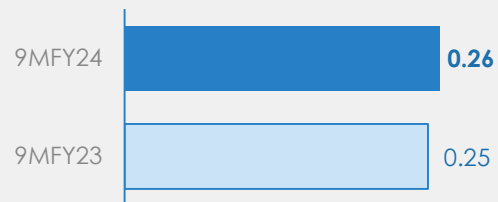
EBITDA & Margin (₹ IN CRORES & %)



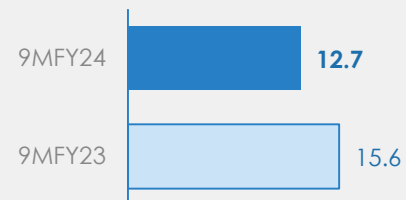
PAT & Margin (₹ IN CRORES & %)



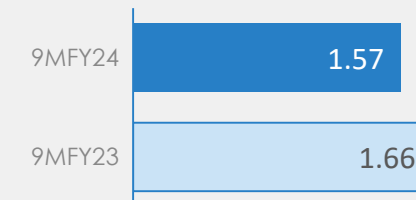
Debt-Equity Ratio (IN X)



RoCE (IN %)



Diluted EPS (IN ₹)



9MFY24 - Consolidated Profit & Loss Statement

Particulars (₹ IN CRORES)	9MFY24	9MFY23	Change Y-o-Y
Revenue from Operations	3,138.99	3,310.33	-5.18%
Other Income	77.06	33.44	
Total Income	3,216.05	3,343.77	-3.82%
Total Expenses	2,743.21	2,846.08	
EBITDA	472.84	497.69	-4.99%
EBITDA Margin (%)	15.06%	15.03%	3Bps
Depreciation	61.62	61.53	
Finance Cost	107.63	114.27	
Share of net profits / (loss) of JV's accounted using equity method	0.98	(0.21)	
Exceptional Items	-	-	
PBT	304.57	321.68	-5.32%
PBT Margin (%)	9.70%	9.72%	-2Bps
Tax	76.41	82.65	
Profit after Tax	228.16	239.03	-4.55%
PAT Margin (%)	7.27%	7.22%	5Bps
Other Comprehensive Income	(0.65)	(0.79)	
Total Comprehensive Income	227.51	238.24	-4.50%
EPS (Diluted ₹)	1.57	1.66	-5.42%



Appendix

Management Team

Board of Directors

Shareholders' Information

Abbreviations / Description

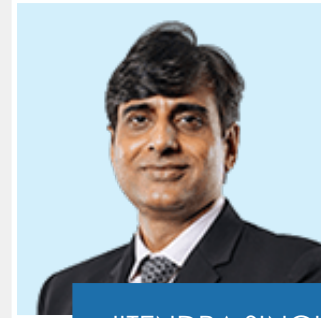
Led by an Experienced Management Team (1/2)



SUBODH KUMAR GARG
Executive Director (Growth Strategy)



VIJAY RAJ JAIN
Group Chief Financial Officer



JITENDRA SINGH CHAUDHARY
Executive President (Communications)



HARSHWARDHAN PAGAY
Executive President (OFC)



PETER WEIMANN
Chief Technology Officer (OFC)



RAJESH JAIN
Executive President (Telecom EPC Projects)



MANISH GANGHEY
Executive President (Product Management)



JAYANTA DEY
Executive President (5G Business)

Led by an Experienced Management Team (2/2)



DEVENDER KUMAR

Executive President (Project Delivery)



JOCHEN ARMS

Vice President, Sales (DACH, Europe)
(OFC)



SANJAY VITHALRAO JORAPUR

President – (Human Resources)



NAND LAL Garg

President (Supply Chain)



SUNIL KUMAR PANDEY

Chief Information Officer



MANOJ BAID

President & Company Secretary



ANDREW WESTERMAN

Vice President, International Sales
(Communication Products)



ROB GILBERT

Country Manager (OFC
Sales) – UK, Ireland

Governed by an Experienced Board

01 MAHENDRA NAHATA
Promoter and Managing Director

02 AJAI KUMAR
Independent Director

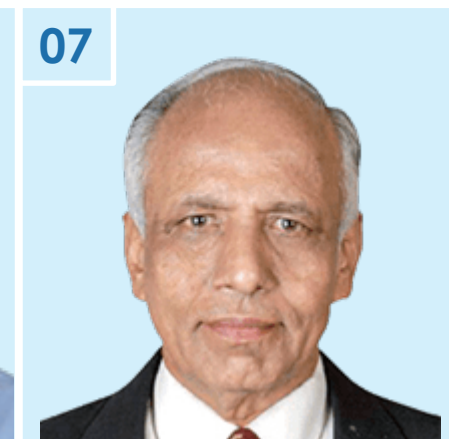
03 BHARAT PAL SINGH
Independent Director

04 SURENDRA SINGH SIROHI
Independent Director

05 TAMALI SEN GUPTA
Independent Director

06 ARVIND KHARABANDA
Non-Executive Director

07 RANJEET MAL KASTIA
Non-Executive Director



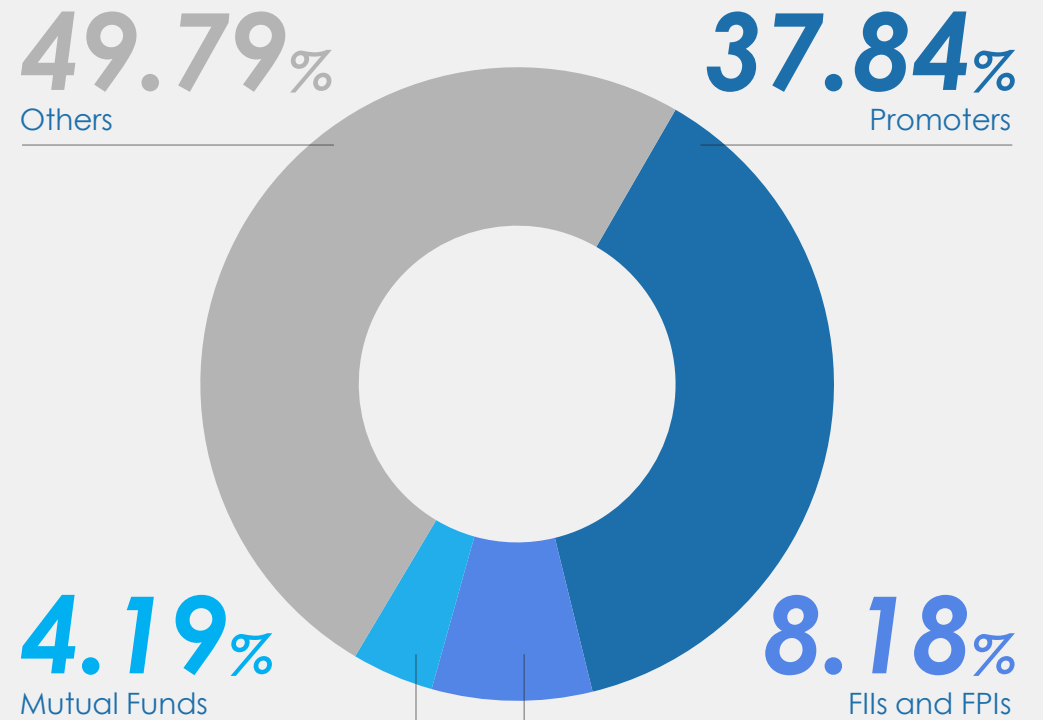
Shareholders' Information

Share Information

(AS ON December 31, 2023)

NSE Ticker	HFCL
BSE Ticker	500183
Market Cap (₹ Crores)	12,024.55
% free-float	83.09%
Free-float market cap (₹ Crores)	9,991.20
Shares Outstanding	1,42,87,72,812
3M ADTV (Shares)	1,68,57,252
3M ADTV (₹ Crores)	129.17
Industry	Telecommunications – Equipment & Solutions

HFCL in Numbers as on 31 December, 2023



Abbreviations / Description

Abbreviation	Description
3GPP	3 rd Generation Partnership Project
ARP	Aramid Reinforced Plastic
CAGR	Compounded Annual Growth Rate
CPE	Consumer Premises Equipment
DPEPP	Defense Production & Export Promotion Policy
DU/ CU Aggregation Routers	Distributed Unit / Centralized Unit Aggregation Router
EPC	Engineering, Procurement and Construction
Fkm	Fiber kilometres
FRP	Fiber Reinforced Plastic
FTTH	Fiber To The Home
FTTx	Fiber To The x
FWA	Fixed Wireless Access
GIS map	Geographic Information System map
IGFR	Impregnated Glass Fiber Reinforcement
OEM	Original Equipment Manufacturer
MMU	Mobile Medical Unit
MPLS	Multi-Protocol Label Switching

Abbreviation	Description
O&M	Operating & Maintenance
OFC	Optic Fiber Cable
Order Book	Order book comprises anticipated revenues from the unexecuted portions of existing contracts (including signed contracts for which all pre-conditions to entry into force have been met & letters of acceptance issued by the customer prior to execution of the final contract)
PAT	Profit after Tax
PLI	Production Linked Incentive
R&D	Research & Development
RAN	Radio Access Network
RF Front End	Radio frequency front end
RoCE	Return on Capital Employed
RoW	Right of Way
RRTS	Rapid Rail Transit System
UBR	Unlicensed Band Radio
VSS	Video Surveillance System

Consolidated Profit & Loss Statement

Particulars (₹ IN CRORES)	9MFY24	FY23	FY22	FY21
Revenue from Operations	3,138.99	4,743.31	4,727.11	4,422.96
Other Income	77.06	47.18	42.91	36.13
Total Income	3,216.05	4,790.49	4,770.02	4,459.09
Total Expenses	2,743.21	4,124.63	4,077.04	3,873.38
EBITDA	472.84	665.86	692.98	585.71
EBITDA Margin (%)	15.06%	14.04%	14.66%	13.21%
Depreciation	61.62	82.97	78.25	68.63
Finance Cost	107.63	152.19	166.40	176.09
Share of net profits / (loss) of JV's accounted using equity method	0.98	(0.09)	0.16	-
Exceptional Items	-	-	6.38	4.13
PBT	304.57	430.61	442.11	336.86
PBT Margin (%)	9.70%	9.08%	9.35%	7.62%
Tax	76.41	112.90	116.25	90.62
Profit after Tax	228.16	317.71	325.86	246.24
PAT Margin (%)	7.27%	6.70%	6.89%	5.57%
Other Comprehensive Income	(0.65)	1.55	1.71	4.96
Total Comprehensive Income	227.51	319.26	327.57	251.20
EPS (Diluted ₹)	1.57	2.18	2.38	1.87

Consolidated Balance Sheet

Equities & Liabilities (₹ IN CRORES)	H1FY24	FY23	FY22	FY21
Total - Shareholder Funds	3,604.41	3,144.14	2,818.37	1,923.47
NON CURRENT LIABILITIES				
(A) Financial Liabilities				
(i) Borrowings	132.16	110.37	121.25	250.78
(ii) Other Liabilities	20.64	6.20	19.34	54.97
(B) Other Non Current Liabilities	99.09	69.72	34.74	
Total - Non – Current Liabilities	251.89	186.29	175.33	305.75
CURRENT LIABILITIES				
(i) Borrowings	728.88	637.94	621.55	668.84
(ii) Other Liabilities	1,334.37	1,504.22	1,556.21	2,317.74
Total – Current Liabilities	2,063.25	2,142.16	2,177.76	2,986.58
GRAND TOTAL - EQUITIES & LIABILITES	5,919.55	5,472.59	5,171.46	5,215.80
Assets (₹ IN CRORES)	H1FY24	FY23	FY22	FY21
(A) Tangible Assets	607.49	574.91	536.16	475.49
(B) Goodwill	26.17	26.17	26.17	26.17
(C) Other Intangible Assets	314.85	215.31	74.10	42.17
(D) Investment in Associates / JV	19.32	18.57	11.66	
(E) Financial Assets				
(i) Trade receivables	485.61	423.11	595.61	444.83
(ii) Other Financial Assets	102.76	92.82	85.94	52.35
(F) Other Non Current Assets	62.07	39.55	22.52	24.96
Total - Non – Current Assets	1,618.27	1,390.44	1,352.16	1,065.97
(A) Inventories	812.49	757.85	573.38	435.26
(B) Financial Assets				
(i) Trade Receivables	1,880.67	1,886.11	1,895.94	2,610.99
(ii) Cash & Bank Balances	455.28	322.59	528.24	306.44
(iii) Others-Advances	665.43	533.57	386.31	461.81
(iv) Others	26.05	33.87	34.84	17.66
(C) Other Current Assets	461.36	548.16	400.59	317.77
Total – Current Assets	4,301.28	4,082.15	3,819.30	4,149.83
GRAND TOTAL – ASSETS	5,919.55	5,472.59	5,171.46	5,215.80

Thank you



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Amit Agarwal

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