

**HCL INFOSYSTEMS LIMITED**  
**Audited Financial Results for the quarter and year ended March 31, 2019**  
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Particulars	Standalone				
	Three months ended			Year ended	
	31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
	Audited	Unaudited	Audited	Audited	
<b>1 Income</b>					
Revenue from operations	81,622	89,449	89,118	358,145	295,030
Other income	1,532	1,327	1,622	6,007	5,438
<b>Total Income</b>	<b>83,154</b>	<b>90,776</b>	<b>90,740</b>	<b>364,152</b>	<b>300,468</b>
<b>2 Expenses</b>					
(a) Cost of materials consumed	-	-	14	4	35
(b) Purchase of stock-in-trade	46,679	109,340	85,866	325,172	303,798
(c) Changes in inventories of finished goods and stock-in-trade	31,732	(23,494)	26	19,350	(21,973)
(d) Employee benefits expense	1,387	1,587	1,648	6,588	5,896
(e) Finance costs	2,402	2,520	2,917	10,337	11,435
(f) Depreciation and amortization expense	181	208	110	838	444
(g) Other expenses	2,266	2,210	2,589	9,173	8,521
<b>Total expenses</b>	<b>84,647</b>	<b>92,371</b>	<b>93,170</b>	<b>371,462</b>	<b>308,156</b>
<b>3 Profit/(Loss) before exceptional items and tax (1 - 2)</b>	<b>(1,493)</b>	<b>(1,595)</b>	<b>(2,430)</b>	<b>(7,310)</b>	<b>(7,688)</b>
4 Exceptional items gain/(loss) (Refer note 4)	(9,140)	(1,309)	(11,252)	(13,323)	(55,362)
<b>5 Profit/(Loss) before tax (3 + 4)</b>	<b>(10,633)</b>	<b>(2,904)</b>	<b>(13,682)</b>	<b>(20,633)</b>	<b>(63,050)</b>
6 Tax expense/(credit)					
(a) Current tax	-	-	-	-	-
(b) Deferred tax expense/(credit)	-	-	670	-	107
<b>7 Net Profit/(Loss) for the period (5 - 6)</b>	<b>(10,633)</b>	<b>(2,904)</b>	<b>(14,352)</b>	<b>(20,633)</b>	<b>(63,157)</b>
8 Other comprehensive income					
A (i) Items that will not be reclassified to profit or (loss)	(99)	-	24	(99)	25
(ii) Income tax relating to items that will not be reclassified to profit or (loss)	-	-	8	-	8
B (i) Items that will be reclassified to profit or (loss)	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or (loss)	-	-	-	-	-
<b>Total other comprehensive income, net of income tax</b>	<b>(99)</b>	<b>-</b>	<b>16</b>	<b>(99)</b>	<b>17</b>
<b>9 Total comprehensive income for the period (7 + 8)</b>	<b>(10,732)</b>	<b>(2,904)</b>	<b>(14,336)</b>	<b>(20,732)</b>	<b>(63,140)</b>
10 Paid-up equity share capital (Face value per share of Rs. 2/- each)	6,584	6,584	6,584	6,584	6,584
11 Reserve as per balance sheet of previous accounting year				21,299	42,031
12 Earnings per share (of Rs 2/- each) (not annualized) :					
(a) Basic	(3.23)	(0.88)	(4.36)	(6.27)	(24.66)
(b) Diluted	(3.23)	(0.88)	(4.36)	(6.27)	(24.66)

Particulars	Standalone	
	As at 31.03.2019	As at 31.03.2018
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	5,824	7,984
Capital work-in-progress	4	
Other intangible assets	94	211
Financial assets		
i. Investments	4	5,609
ii. Other financial assets	7,168	141
Deferred tax assets (net)	6,355	6,355
Advance income tax (net)	4,195	2,601
Other non-current assets	14,596	14,414
<b>Total non-current assets</b>	<b>38,240</b>	<b>37,315</b>
<b>Current assets</b>		
Inventories	8,530	27,857
Financial assets		
i. Investments	-	10,719
ii. Trade receivables	37,955	56,273
iii. Cash and cash equivalents	10,282	4,549
iv. Bank balances other than (iii) above	5,248	1,198
v. Loans	51,559	71,657
vi. Others financial assets	7,271	7,049
Other current assets	9,235	8,649
<b>Total current assets</b>	<b>130,080</b>	<b>187,951</b>
<b>Assets held for sale</b>	<b>1,426</b>	<b>599</b>
<b>Total assets</b>	<b>169,746</b>	<b>225,865</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	6,584	6,584
Other equity	21,299	42,031
<b>Total equity</b>	<b>27,883</b>	<b>48,615</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
i. Borrowings	9,440	9,351
Provisions	602	457
<b>Total non-current liabilities</b>	<b>10,042</b>	<b>9,808</b>
<b>Current liabilities</b>		
Financial liabilities		
i. Borrowings	49,499	81,975
ii. Trade payables	52,228	65,376
iii. Other financial liabilities	26,444	16,932
Other current liabilities	2,899	2,242
Provisions	751	917
<b>Total current liabilities</b>	<b>131,821</b>	<b>167,442</b>
<b>Total liabilities</b>	<b>141,863</b>	<b>177,250</b>
<b>Total equity and liabilities</b>	<b>169,746</b>	<b>225,865</b>

Notes

- After recommendation by the Audit Committee, these results have been approved and taken on record by the Board of Directors at its meeting held on May 30, 2019. The results for the year ended March 31, 2019 have been audited by the statutory auditors.
- The amounts for the quarter ended March 31, 2019 represent difference between the amounts as per audited year end accounts and the year to date results upto December 31, 2018 which have been subjected to limited review.
- As communicated earlier, pursuant to the approval by the Board of Directors of the Company in its meeting held on October 15, 2018, the entire shareholding held by Nurture Technologies FZE (formerly known as HCL Infosystems MEAFZE) (Step-down Subsidiary) in its direct subsidiaries Gibraltar Technologies LLC (Dubai), Gibraltar Technologies LLC (Abu Dhabi) and step-down subsidiary Gibraltar Technologies WLL (Qatar) has been transferred to consortium of individuals viz Mr. Ahmed Khalaf Ahmed Khalaf Al Otaiba, Mr. Syed Mohammed Bukhari, Mr. Khadeer Peer Shariff SS and Mr. Abdul Qadir Bukhari on November 27, 2018 for a consideration of AED 3.4 Mn (approximately equivalent Rs 650 lakhs).

4. Exceptional items include :

(Rs. In Lakhs)

Particulars	Three months ended			Year ended	
	31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
	Audited	Unaudited	Audited	Audited	
a. Impairment of investment in HCL Services Limited	-	-	(4,896)	-	(42,897)
b. Impairment of investment in HCL Learning Limited	-	-	(4,446)	-	(4,446)
c. Impairment of investment in Digilife Distribution and Marketing Services Limited	(5,605)	-	-	(5,605)	-
d. Provision against loan given to Subsidiary	(3,535)	(1,309)	(1,910)	(7,882)	(8,019)
e. Gain on sale of Subsidiary	-	-	-	164	-
<b>Total (a+b+c+d+e) - Profit / (Loss)</b>	<b>(9,140)</b>	<b>(1,309)</b>	<b>(11,252)</b>	<b>(13,323)</b>	<b>(55,362)</b>

- As communicated earlier, pursuant to the approval by the Board of Directors of the Company in its meeting held on January 31, 2018, the CARE business division has been transferred to QDigi Services Limited on March 31, 2018 and subsequently the entire shareholding of QDigi Services Limited has been divested to Qess Corp Limited on April 11, 2018.
- As communicated earlier, pursuant to the approval by the Board of Directors of the Company in its meeting held on February 9, 2018, the Company has divested its investments (both Equity and Optionally Convertible Debentures (OCD)) in HCL Services Limited to Karvy Data Management Services Limited for a consideration of Rs 11,210 lakhs (Equity Rs 1,745 lakhs and OCD Rs 9,465 lakhs, the consideration for OCD is equivalent to the Income Tax refund and is receivable as and when the Tax refund is received by HCL Services Limited). The Company signed a Share Purchase Agreement on May 31, 2018 and the shareholding was divested on June 15, 2018.

This transaction excludes;

- Care Business (divested to Qess Corp Limited)
- IT & Facility unit (transferred to HCL Infosystems Limited)
- Investment in HCL Insys PTE Limited, Singapore including its subsidiaries (transferred to HCL Learning Limited)

- In order to reduce Company's debt obligations, the Company has decided to monetize company owned properties in a phased manner. Several of Company's properties are not being fully utilized due to changes in the business of the Company. Therefore the board has approved the sale of two company owned properties located in Noida and one property located in Pune, proceeds of which will be utilized in entirety to repay our loans. The net value of Rs. 1,426 lakhs of these properties as of 31.03.2019 has been classified and disclosed as assets held for sale.

Pursuant to the Board's approval, the Company entered into agreement to sell the property situated at G-8,9,10, Sector 3, Noida on 21.05.2019 and the property situated at B-13,14 Sector 3, Noida on 28.05.2019 subject to approval from Noida authority. As of 31.03.2019, the combined book value of two properties is Rs. 81 lakhs and the sale value of the properties is Rs. 1,361 lakhs.

- Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant on the financial statements.
- Figures for previous periods have been regrouped and rearranged, wherever necessary, to conform with the relevant current period's classification.

By order of the Board  
for HCL Infosystems Limited

Rangarajan Raghavan  
Managing Director

Place : Noida  
Date : May 30, 2019