



## **PRESS RELEASE**

# **CISCO & HCL ANNOUNCE UNIQUE ROYALTY MODEL**

*Companies celebrate 10 years of partnership—among largest and longest product engineering agreement in Indian IT space*

**Chennai, 27 February 2006:** HCL Technologies Ltd (“HCL”), a leading global Information Technology solutions provider, has announced a unique **Royalty model** with **Cisco Systems, Inc.**, the world leader in the networking space. Under this model, Cisco has licensed HCL the Intellectual Property (IP) for one of its network management products—with HCL being completely responsible for the engineering of the product. The announcement comes as the two companies marked the completion of **10-years of their partnership**—one of the **largest and longest** Product Engineering engagements in the history of Indian IT.

Cisco Systems joined hands with HCL in February 1996, with the setting up of its first offshore development center—the **Cisco Offshore Development Center**—in Chennai, with an initial team of 30 dedicated engineers. The objective laid out initially—to undertake software development work for Cisco's InterCisco's IOS Software (Cisco IOS®) and Network Management products. Today, with over 1,100 employees delivering consistent and high-quality services to Cisco, HCL has maintained and enhanced customer satisfaction, thereby resulting in accelerated business growth. Over the past ten years, HCL has rapidly expanded its Cisco operations and expects this to gain momentum, going forward.

The **Cisco ODC in Chennai** is the largest product engineering site for Cisco outside the United States.

**Mr Cliff Meltzer, Senior V-P**, Cisco Systems, Inc., said, “This 10-year HCL-Cisco partnership has been a long and successful one, one that has thrived and grown because it is built on mutual trust and a win-win approach. Executive support has ensured a world-class relationship, broadly recognized for how a multi-site development effort should be executed.”

**HCL Founder Shiv Nadar** said, “Team HCL is proud to have partnered with Cisco Systems. HCL believes in value-centric partnerships and our journey with Cisco has been mutually beneficial and rewarding. With our maturing Centers of Excellence at the CODC, we have increasingly taken on greater responsibility of technically complex and business-critical processes. We are glad that we have lived up to Cisco's expectations and have successfully maintained and enhanced operating systems, as also supported Cisco's products globally—allowing our partner to concentrate on their core business. Over this decade, HCL has benefited tremendously, with our knowledge and skills in this sphere being enhanced greatly.”

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On the new royalty model, Mr Nadar added, "We have always been committed to maintain and enhance Cisco's experience in all our engagements by providing consistent and high-quality deliveries. This new engagement and the Royalty Model is another step in our long-standing relationship with Cisco."

### About HCL Technologies

HCL Technologies is one of India's leading global IT Services companies, providing software-led IT solutions, BPO and remote infrastructure management services. Having made a foray into the services domain in 1997-98, HCL Technologies focuses on technology and R&D outsourcing, working with clients in areas at the core of their business. The company leverages an extensive offshore infrastructure and its global network of 26 offices in 15 countries to deliver solutions across select verticals including Banking, Insurance, Retail & Consumer, Aerospace, Automotive, Semiconductors, Telecom and Life Sciences. For the twelve-month period ended 31 December 2005, HCL Technologies, along with its subsidiaries, had revenues of US \$864 million (Rs 3,890 crore) and employed 28,182 professionals. For more information, please visit [www.hcltech.com](http://www.hcltech.com)

### About HCL Enterprise

HCL Enterprise is a leading global technology and IT enterprise, comprising two companies listed in India—HCL Technologies & HCL Infosystems. The three-decade-old enterprise, founded in 1976, is one of India's original IT garage start-ups. Its range of offerings span product engineering, technology and application services, BPO, infrastructure services, IT hardware, systems integration, and distribution of technology and telecom products. The HCL team comprises of over 30,000 professionals of diverse nationalities, operating out of 15 countries, including 300 points of presence in India alone. HCL has global partnerships with several leading *Fortune 1000* firms, including leading IT and Technology firms. For more information please visit [www.hcl.in](http://www.hcl.in)

### About Cisco Systems, Inc.

Cisco Systems, Inc. (NASDAQ: CSCO), the worldwide leader in networking for the Internet, this year celebrates 20 years of commitment to technological innovation, industry leadership, and corporate social responsibility. Information on Cisco can be found at [www.cisco.com](http://www.cisco.com). For ongoing news, please go to [newsroom.cisco.com](http://newsroom.cisco.com). India news and information are available at [www.cisco.com/in/newsroom](http://www.cisco.com/in/newsroom).

### Forward-looking Statements

Certain statements in this release are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, 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, 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 and general economic conditions affecting our industry. 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.

**For details, contact**

Manisha Singh HCL Technologies Tel: +91-120-2520917 e-mail: <a href="mailto:manishasingh@hcltech.com">manishasingh@hcltech.com</a>	Nora Pradhan genesis Tel: +91 9899878182 e-mail: <a href="mailto:npradhan@genesisp.com">npradhan@genesisp.com</a>
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