HCL Investments (UK) Limited

SPECIAL PURPOSE FINANCIAL STATEMENTS

For the year ended 31 March 2020

HCL Investments (UK) Limited
Special Purpose Balance Sheet as at 31 March 2020
(All amount in thousands, except share data and as stated otherwise)

	Note No.	As at 31 March 2020 (USD)	As at 31 March 2020 (₹)
ASSETS			
(1) Non-current assets			
(a) Financial assets			
(i) Investments	**2.1**	10,098	764,079
(b) Other non-current assets	**2.3**	45,354	3,431,931
(2) Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	**2.4**	29,412	2,225,092
(ii) Loans	**2.5**	15	1,122
(iii) Others	**2.2**	5,802	439,071
(b) Other current assets	**2.6**	5,614	424,848
TOTAL ASSETS		**96,295**	**7,286,143**
EQUITY			
(a) Equity share capital	**2.7**	10,666	807,114
(b) Other equity	**2.7**	31,622	2,392,546
LIABILITIES			
(2) Current liabilities			
(a) Financial liabilities			
(ii) Borrowings	**2.8**	40,000	3,026,790
(iii) Others	**2.9**	13,730	1,038,979
(c) Current tax liabilities (net)		277	20,714
TOTAL EQUITY AND LIABILITIES		**96,295**	**7,286,143**

Summary of significant accounting policies **1**

The accompanying notes are an integral part of the special purpose financial statements

As per our report of even date

FOR B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number : 101248W/W-100022

Rakesh Dewan Digitally signed by Rakesh Dewan Date: 2020.09.15 21:04:22 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
Date: 15th September 2020

For and on behalf of the Board of Directors of HCL Investments (UK) Limited

SHIV KUMAR WALIA Digitally signed by SHIV KUMAR WALIA Date: 2020.09.15 17:12:40 +05'30'

Shiv Kumar Walia
Director

Berkshire, UK
Date: 15th September 2020

RAHUL SINGH Digitally signed by RAHUL SINGH Date: 2020.09.15 17:14:27 +05'30'

Rahul Singh
Director

Gurugram, India
Date: 15th September 2020

HCL Investments (UK) Limited
Special Purpose Statement of Profit and Loss for the year ended 31 March 2020
(All amount in thousands, except share data and as stated otherwise)

		Note No.	Year ended 31 March 2020 (USD)	Year ended 31 March 2020 (₹)
I	**Revenue**			
	Revenue from operations		1,307	98,899
	Other income	**2.10**	705	53,354
	Total revenue		**2,012**	**152,253**
II	**Expenses**			
	Finance costs	**2.11**	36	2,730
	Other expenses	**2.12**	9	661
	Total expenses		**45**	**3,391**
III	**Profit before tax**		**1,967**	**148,862**
IV	**Tax expense**			
	Current tax	**2.13**	357	27,012
	Total tax expense		357	27,012
V	**Profit for the year**		**1,610**	**121,850**
VI	**Other comprehensive income**		-	-
VII	**Total Comprehensive Income for the year**		**1,610**	**121,850**
	Earnings per equity share of par value USD 50,000 each			
	Basic and Diluted (in ₹)	**2.14**	0.23	17.60
	Summary of significant accounting policies	**1**		

The accompanying notes are an integral part of the special purpose financial statements

As per our report of even date

FOR B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number : 101248W/W-100022

Rakesh Dewan — Digitally signed by Rakesh Dewan Date: 2020.09.15 21:04:53 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
Date: 15th September 2020

For and on behalf of the Board of Directors of HCL Investments (UK) Limited

SHIV KUMAR WALIA — Digitally signed by SHIV KUMAR WALIA Date: 2020.09.15 17:12:57 +05'30'

RAHUL SINGH — Digitally signed by RAHUL SINGH Date: 2020.09.15 17:14:45 +05'30'

Shiv Kumar Walia
Director

Berkshire, UK
Date: 15th September 2020

Rahul Singh
Director

Gurugram, India
Date: 15th September 2020

HCL Investments (UK) Limited
Special Purpose Cash Flow Statement for the period ended 31 March 2020
(All amount in thousands, except share data and as stated otherwise)

		Year ended 31 March 2020 (USD)	Year ended 31 March 2020 (₹)
A. Cash flows from operating activities			
Profit before tax		1,967	148,862
Adjustment for:			
Interest income		(1)	(47)
Interest expenses		35	2,642
Operating profit before working capital changes		**2,001**	**151,457**
Movement in Working Capital			
Increase in other financial assets and other assets		(40,102)	(3,034,518)
Decrease in financial liabilities		(1,867)	(141,276)
Cash generated (used in) operations		**(39,968)**	**(3,024,337)**
Direct taxes paid (net of refunds)		(283)	(21,728)
Net cash flow (used) in operating activities	**(A)**	**(40,251)**	**(3,046,065)**
B. Cash flows from investing activities			
Interest received		1	47
Net cash flow from investing activities	**(B)**	**1**	**47**
C. Cash flows from financing activities			
Proceed from short term borrowings		39,957	3,023,568
Proceeds from Issue of share capital		29,730	2,249,435
Interest paid		(35)	(2,642)
Net cash flow used in financing activities	**(C)**	**69,652**	**5,270,361**
Net increase in cash and cash equivalents (A+B+C)		29,402	2,224,343
Cash and cash equivalents at the beginning of the year		10	749
Cash and cash equivalents at the end of the year as per note 2.4		**29,412**	**2,225,092**
Summary of significant accounting policies (Note 1)			

As per our report of even date.

FOR B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number : 101248W/W-100022

Rakesh Dewan Digitally signed by Rakesh Dewan Date: 2020.09.15 21:05:14 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
Date: 15th September 2020

For and on behalf of the Board of Directors of HCL Investments (UK) Limited

SHIV KUMAR WALIA Digitally signed by SHIV KUMAR WALIA Date: 2020.09.15 17:13:13 +05'30'

RAHUL SINGH Digitally signed by RAHUL SINGH Date: 2020.09.15 17:15:01 +05'30'

Shiv Kumar Walia
Director

Berkshire, UK
Date: 15th September 2020

Rahul Singh
Director

Gurugram, India
Date: 15th September 2020

HCL Investments (UK) Limited
Special Purpose Statement of Changes in Equity for the period ended 31 March 2020
(All amount in thousands, except share data and as stated otherwise)

	Equity share capital		Other Equity		Total
	Shares	Share capital	Reserve and Surplus		Total Equity
			Securities premium	Retained earnings	
	(No's)	(USD)	(USD)	(USD)	(USD)
Balance as of April 1, 2019	6,405,100	10,038	-	910	10,948
Shares issued during the year	520,000	628	29,102	-	29,730
Profit for the year	-	-	-	1,610	1,610
Total comprehensive income for the year	-	-	29,102	1,610	1,610
Balance as of March 31, 2020	6,925,100	10,666	29,102	2,520	42,288

	Equity share capital		Other Equity		Total
	Shares	Share capital	Reserve and Surplus		Total Equity
			Securities premium	Retained earnings	
	(No's)	(₹)	(₹)	(₹)	(₹)
Balance as of April 1, 2019	6,405,100	759,564	-	68,811	828,375
Shares issued during the year	520,000	47,550	2,201,885	-	2,249,435
Profit for the year	-	-	-	121,850	121,850
Total comprehensive income for the year	-	-	2,201,885	121,850	121,850
Balance as of March 31, 2020	6,925,100	807,114	2,201,885	190,661	3,199,660

The accompanying notes are an integral part of the special purpose financial statements

As per our report of even date

FOR B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number : 101248W/W-100022

Rakesh Dewan Digitally signed by Rakesh Dewan Date: 2020.09.15 21:05:37 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
Date: 15th September 2020

For and on behalf of the Board of Directors of HCL Investments (UK) Limited

SHIV KUMAR WALIA Digitally signed by SHIV KUMAR WALIA Date: 2020.09.15 17:13:27 +05'30'

Shiv Kumar Walia
Director

Berkshire, UK
Date: 15th September 2020

RAHUL SINGH Digitally signed by RAHUL SINGH Date: 2020.09.15 17:15:15 +05'30'

Rahul Singh
Director

Gurugram, India
Date: 15th September 2020

ORGANIZATION AND NATURE OF OPERATIONS

HCL Investments (UK) Limited. (hereinafter referred to as the 'Company') is primarily engaged in providing services associated with IT and business services, engineering and R & D services and services related to products and platforms and to act as holding company for the investment in the shares of companies providing services associated with software consultancy services, business process outsourcing and infrastructure management services. The Company was incorporated in England on 9 November 2011 , having its registered office at Axon Centre, Church Road, Egham, Surrey, TW20 9QB, United Kingdom.

The financial statements for the year ended 31 March 2020 were approved and authorized for issue by the Board of Directors on 15 September 2020.

1. Significant Accounting Policies

a) Basis of preparation

The special purpose financial statements of the Company have been prepared in accordance with recognition and measurement principle laid down in Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) adopted by the Ultimate Holding Company for the preparation of its consolidated financial statements. The company is not domiciled in India and hence was not incorporated under the Companies Act, 2013 or under any previous Company law in India. These financial statements have been prepared on the request of the Ultimate Holding Company to comply with the financial reporting requirement in India and do not comply with the notes and disclosure requirements and do not include the previous year comparatives as required under the presentation requirements of Schedule III (Division II) to the Companies Act, 2013 and Ind AS 1, presentation of financial statements. These financial statements have been prepared under the historical cost convention on an accrual and going concern basis except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The Ultimate Holding Company prepares its financial statements for purpose of consolidation in accordance with recognition and measurement principle laid down in Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Schedule III (Division II) to the Companies Act, 2013, as applicable, and accordingly the previous GAAP for the Company for the purpose of consolidation is Ind AS and accordingly, the transition provisions as enumerated in Ind AS 101, First time adoption are not applicable.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle of 12 months. The statement of cash flows has been prepared under the indirect method. The functional currency of the Company is US dollars (USD). The translation from USD to ₹ is included solely for the convenience of readers in India and has been performed using rate of USD 1 = ₹ 75.6650, the exchange rate prevailing as at the last day of the financial year. Such translation should not be construed as representation that the ₹ amounts represent, or have been or could be converted into, USD at that or any other rate.

b) Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs, expenses and other comprehensive income (OCI) that are reported and disclosed in the financial statements and accompanying notes. These estimates are based upon management's best knowledge of current events, historical experience, actions that the company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Significant estimates and assumptions are used for, but not limited to, allowance for uncollectible accounts receivable, income taxes, the useful lives of property, plant and equipment and other contingencies and commitments. Changes in estimates are reflected in the financial statements in the period in which the changes are made. Actual results could differ from those estimates.

c) Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

d) Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value measured on initial recognition of financial asset. Purchase and sale of financial assets are accounted for at trade date.

Cash and short-term deposits

Cash and short-term deposits in the balance sheet comprise cash in banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Financial instruments at amortized cost

A financial instrument is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category includes cash and bank balances, loans, unbilled revenue, trade and other receivables.

Financial instrument at Fair Value through Other Comprehensive Income (OCI)

A financial instrument is classified and measured at fair value through OCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent solely payments of principal and interest. Financial instruments included within the OCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from OCI to statement of profit and loss.

Financial instrument at Fair Value through Profit and Loss

Any financial instrument, which does not meet the criteria for categorization at amortized cost or at fair value through other comprehensive income, is classified at fair value through profit and loss. Financial instruments included in the fair value through profit and loss category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition of financial assets

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Lifetime ECL allowance is recognized for trade receivables with no significant financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case they are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized in the statement of profit and loss.

ii. Financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade payables, borrowings including bank overdrafts and other payables. After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount

or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis to realize the assets and settle the liabilities simultaneously.

e) Revenue Recognition

Contracts involving provision of services and material

Revenue is recognized when, or as, control of a promised service or good transfers to a customer, in an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring those products or services. To recognize revenues, the following five step approach is applied: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied. Contract is accounted when it is legally enforceable through executory contracts, approval and commitment from all parties, the rights of the parties are identified, payment terms are defined, the contract has commercial substance and collectability of consideration is probable.

Time-and-material / Volume based / Transaction based contracts

Revenue with respect to time-and-material, volume based and transaction based contracts is recognized as the related services are performed through efforts expended, volume serviced transactions are processed etc. that correspond with value transferred to customer till date which is related to our right to invoice for services performed.

Interest Income

Interest income for all financial instruments measured at amortized cost is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

f) Foreign currency transactions

The financial statements of the company are presented in its functional currency USD. For each foreign operation, the company determines the functional currency which is its respective local currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction. Foreign-currency denominated monetary assets and liabilities are translated to the relevant functional currency at exchange rates in effect at the balance sheet date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of initial transaction. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

g) Income Taxes

Income tax expense comprises current and deferred income tax.

Income tax expense is recognized in statement of profit and loss except to the extent wherever applicable that it relates to items recognized directly in equity, in which case it is recognized in equity. Current income tax for current and prior periods is

recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Provision for income tax wherever applicable includes the impact of provisions established for uncertain income tax positions, as well as the related interest and penalties.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.
The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable company and the same taxation authority.

h) Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows.

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements.

i) Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS amounts are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented.

HCL Investments (UK) Limited
Notes to special purpose financial statements for the period ended 31 March 2020
(All amount in thousands, except share data and as stated otherwise)

2.1 Investments

	As at	
	31 March 2020	31 March 2020
	(USD)	(₹)
Financial assets		
Non - current		
In subsidiary companies (unquoted), fully paid up		
10,000,000 equity shares (31 March 2019: 10,000,000) of USD 1 each, in State Street HCL Holdings (UK) Ltd.	10,098	764,079
	10,098	**764,079**

2.2 Other financial assets

	As at	
	31 March 2020	31 March 2020
	(USD)	(₹)
Current		
Interest on short term loan- related parties [refer note-2.16(e)]	2	185
Other receivables-related parties(Refer note 2.16(e))	5,800	438,886
	5,802	**439,071**

2.3 Other non- current assets

	As at	
	31 March 2020	31 March 2020
	(USD)	(₹)
Deferred contract cost	45,354	3,431,931
	45,354	**3,431,931**

2.4 Cash and cash equivalent

	As at	
	31 March 2020	31 March 2020
	(USD)	(₹)
Balance with banks		
- in current accounts	29,412	2,225,092
	29,412	**2,225,092**

2.5 Financial assets - loans

	As at	
	31 March 2020	31 March 2020
	(USD)	(₹)
Short-term loan- related parties (Refer note 2.16(e))	15	1,122
	15	**1,122**

2.6 Other current assets

	As at	
	31 March 2020	31 March 2020
	(USD)	(₹)
Deferred contract cost	5,614	424,848
	5,614	**424,848**

2.7 Share Capital

	As at	
	31 March 2020	31 March 2020
	(USD)	(₹)
Authorized 6,295,100 (previous year 6,405,100) equity shares of GBP 1 each	10,666	807,114
Issued, subscribed and fully paid up 6,295,100 (previous year 6,405,100) equity shares of GBP 1 each, fully paid up.	10,666	807,114

Terms/ rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of GBP 1. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

	As at	
	31 March 2020	
	No. of Shares	Amount (USD)
Number of shares at the beginning	6,405,100	10,038
Add: Shares issued during the year	520,000	628
Number of shares at the end	**6,925,100**	**10,666**

Shares held by holding/ultimate holding company and or their subsidiaries/associates

Out of equity shares issued by the Company shares held by its holding company, are as below:

	As at	
	31 March 2020	
	No. of Shares	Amount (USD)
Equity shares of GBP 1 each fully paid up		
Axon Solutions Limited -the holding company	6,405,100	10,038
HCL Technologies UK Limited	520,000	628

Details of shareholders holding more than 5 % shares in the company:-

Name of the shareholder	As at	
	31 March 2020	
	No. of Shares	% holding in the class
Equity shares of GBP 1 each fully paid up		
Axon Solutions Limited -the holding company	6,405,100	92.49%
HCL Technologies UK Limited	520,000	7.51%

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

There are no bonus shares issued, no shares issued other than cash and no shares bought back during five years immediately preceding the reporting date.

Capital management

The primary objective of the Company's capital management is to support business continuity and growth of the company while maximizing the shareholder value. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are generally met through operating cash flows generated.

HCL Investments (UK) Limited
Notes to special purpose financial statements for the period ended 31 March 2020
(All amount in thousands, except share data and as stated otherwise)

2.8 Borrowings

	As at	
	31 March 2020	31 March 2020
	(USD)	(₹)
Unsecured		
Loan from related party (Refer note 2.16(e))	40,000	3,026,790
	40,000	**3,026,790**

2.9 Other financial liabilities

	As at	
	31 March 2020	31 March 2020
	(USD)	(₹)
Current		
Carried at amortized cost		
Interest Payable-related parties [refer note 2.16(e)]	35	2,626
Other payables	9	710
Other payables-related parties [refer note 2.16(e)]	13,686	1,035,643
	13,730	**1,038,979**

2.10 Other income

	Year ended	Year ended
	31 March 2020	31 March 2020
	(USD)	(₹)
Interest income -related parties [refer note 2.16(d)]	1	47
Exchange differences (net)	704	53,307
	705	**53,354**

2.11 Finance cost

	Year ended	Year ended
	31 March 2020	31 March 2020
	(USD)	(₹)
Interest-related parties [refer note 2.16(d)]	35	2,642
Bank charges	1	88
	36	**2,730**

2.12 Other expenses

	Year ended	Year ended
	31 March 2020	31 March 2020
	(USD)	(₹)
Legal and professional charges	4	286
Audit Fees	5	375
	9	**661**

2.13 Income taxes

	Year ended 31 March 2020 (USD)	Year ended 31 March 2020 (₹)
Current income tax charge	357	27,012
	357	**27,012**

2.14 Earnings Per Share (EPS)

	Year ended 31 March 2020 (USD)	Year ended 31 March 2020 (₹)
Net profit as per Statement of profit and loss for computation of EPS	1,610	121,850
Weighted average number of equity shares outstanding in calculating basic and dilutive EPS	6,925,100	6,925,100
Nominal value of equity shares	1	1
Earnings per share		
- Basic and Diluted	0.23	17.60

2.15 Financial assets and liabilities

The carrying value of financial instruments by categories as at 31 March 2020 is as follows:

Particulars	Amortized cost	Total carrying value	Amortized cost	Total carrying value
	(USD)	(USD)	(₹)	(₹)
Financial assets				
Investments	10,098	10,098	764,079	764,079
Cash and cash equivalents	29,412	29,412	2,225,092	2,225,092
Loans	15	15	1,122	1,122
Others	5,802	5,802	439,071	439,071
Total	**45,327**	**45,327**	**3,429,364**	**3,429,364**
Financial liabilities				
Borrowings	40,000	40,000	3,026,790	3,026,790
Others	13,730	13,730	1,038,979	1,038,979
Total	**53,730**	**53,730**	**4,065,769**	**4,065,769**

2.16 Related party transactions

a) Related parties where control exists
HCL Technologies Limited (Ultimate holding company)
Axon Solutions Limited (Holding company)

b) List of Subsidiaries of the company
State Street HCL Holdings (UK) Limited
State Street HCL Services Philippines Inc.
State Street HCL Services India Private Limited

c) Related parties with whom transactions have taken place during the year
Statestreet HCL Services India Pvt Ltd
HCL Technologies Ltd
HCL America Inc.
HCL EAS Ltd
HCL Technologies UK Limited
Axon Group PLC
State Street HCL Holdings (UK) Limited

HCL Investments (UK) Limited
Notes to special purpose financial statements for the period ended 31 March 2020
(All amount in thousands, except share data and as stated otherwise)

2.16 Related party transactions (continued)

d) Transactions with related parties for the year ended 31 March 2020

	Interest Income	Interest Expense	Short term borrowings
For the year ended 31 March 2020(USD)			
Fellow Subsidiaries	1	35	40,000
Total	**1**	**35**	**40,000**
For the year ended 31 March 2020(₹)			
Fellow Subsidiaries	47	2,642	3,026,790
Total	**47**	**2,642**	**3,026,790**

e) Outstanding balances as at 31 March 2020

	Financial assets - loans	Other receivables	Interest receivable on short term loans	Other Payables	Investments	Interest Payable on short term loans	Borrowings
As at 31 March 2020(USD)							
Fellow Subsidiaries	15	5,800	2	13,686	10,098	35	40,000
Total	**15**	**5,800**	**2**	**13,686**	**10,098**	**35**	**40,000**
As at 31 March 2020(₹)							
Fellow Subsidiaries	1,122	438,886	185	1,035,642	764,079	2,626	3,026,790
Total	**1,122**	**438,886**	**185**	**1,035,642**	**764,079**	**2,626**	**3,026,790**

3 The Company has presented its financial statements in "USD in thousands" and accordingly, amounts less than USD 0.50 thousand are rounded off to zero.

As per our report of even date

FOR B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number : 101248W/W-100022

Rakesh Dewan Digitally signed by Rakesh Dewan Date: 2020.09.15 21:06:11 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
Date: 15th September 2020

For and on behalf of the Board of Directors
of HCL Investments (UK) Limited

SHIV KUMAR WALIA Digitally signed by SHIV KUMAR WALIA Date: 2020.09.15 17:13:50 +05'30'

Shiv Kumar Walia
Director

Berkshire, UK
Date: 15th September 2020

RAHUL SINGH Digitally signed by RAHUL SINGH Date: 2020.09.15 17:14:06 +05'30'

Rahul Singh
Director

Gurugram, India
Date: 15th September 2020