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TO THE BOARD OF DIRECTORS OF HCL EAS Limited

Report on the Audit of Special Purpose Financial Statements

Opinion

We have audited the Special Purpose Financial Statements of **HCL EAS Limited** ("the Company"), which comprise the Special Purpose Balance Sheet as at 31 March 2021, the Special Purpose Statement of Profit and Loss (including Other Comprehensive Income), Special Purpose Statement of Changes in Equity and Special Purpose Statement of Cash Flows for the year then ended, and notes to the special purpose financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter collectively referred to as 'financial statements'). These financial statements have been prepared by the management in accordance with the basis described in Note 1(a) to the accompanying notes to the financial statements.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view of the state of affairs of the Company as at 31 March 2021, and of its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date in accordance with the basis described in Note 1(a) to the financial statements.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India. Our responsibilities under those SA's are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

Basis of preparation

We draw attention to Note 1(a) to the financial statements which describes the Basis of preparation, wherein it is stated that these financial statements are special purpose financial statements as these are prepared at the request of the ultimate holding company, HCL Technologies Limited for their limited use. These financial statements are not the statutory financial statements of the Company. As a result, these financial statements may not be suitable for any other purpose.

Our opinion is not modified in respect of this matter.

Restatement due to correction of error related to accounting for preference shares

We draw attention to note 2.17 to the financial statements, which explains that during the previous year, the company had passed a resolution that no dividend is payable on outstanding preference shares as on 31 March 2020. However, during the current year after reassessing the terms and conditions of the cumulative preference shares, the management determined that it is appropriate to record the accrual of dividend on cumulative preference shares from the initial date as the preference shares were treated as liability and the company does not have an unconditional right to defer payment of the dividend on an indefinite basis. As per applicable guidance, this is an interest expense on a financial liability at amortised cost as per "Ind AS 109: Financial Instruments". Accordingly, the retained losses as at 1 April 2020 have been restated by the management in accordance with requirements of "Ind AS 8: Accounting Policies, Changes in Accounting Estimates and Errors". The effect of adjustment on account of restatement is USD 205,482 thousands which is adjusted in restated retained earnings as at 1 April 2020. However, comparative figures for previous year ended March 31, 2020 and third balance sheet as at April 1, 2019 have not been presented as described in the basis of preparation in Note 1(a) to the financial statements.

Our opinion is not modified in respect of the above matter.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the basis described in Note 1(a) to the financial statements. This responsibility also includes maintenance of adequate accounting records, for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Rakesh Dewan
Digitally signed by Rakesh Dewan
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Rakesh Dewan
Partner
Membership No.: 092212
ICAI UDIN: 21092212AAAACE5657

Place: Gurugram
Date: 4 August 2021