HCL EAS Limited

Special Purpose Financial Statements

For the year ended 31 March 2020

HCL EAS Limited

Balance sheet as at 31 March 2020

(All amount are in thousands except stated otherwise)

		Note No.	As at 31 March 2020 (USD)	As at 31 March 2020 (₹)
I.	**ASSETS**			
	(1) Non-current assets			
	(a) Financial assets			
	(i) Investments	**2.1**	696,857	52,727,700
	(2) Current assets			
	(a) Financial assets			
	(i) Cash and cash equivalents	**2.2**	24,020	1,817,407
	(ii) Loans	**2.3**	68,417	5,176,888
	(iii) Others	**2.4**	2,284	172,754
	(b) Current tax assets (net)		26	1,937
	(c) Other current assets	**2.5**	987	74,680
	TOTAL ASSETS		**792,591**	**59,971,366**
II.	**EQUITY**			
	(a) Equity share capital	**2.6**	157,561	11,921,823
	(b) Other equity		33,594	2,541,857
	TOTAL EQUITY		**191,155**	**14,463,680**
III.	**LIABILITIES**			
	(1) Non- current liabilities			
	(a) Financial liabilities			
	(i) Others	**2.9**	513,699	38,869,012
	(2) Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	**2.7**	27,000	2,042,955
	(ii) Trade payables	**2.8**	626	47,271
	(iii) Others	**2.9**	60,111	4,548,448
	TOTAL EQUITY AND LIABILITIES		**792,591**	**59,971,366**
	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
Firm Registration Number : 101248W/W-100022

Rakesh Dewan
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Date: 2020.09.28 23:17:22 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
Date: 28 September 2020

For and on behalf of the Board of Directors of HCL EAS Limited

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Shiv Kumar Walia
Director

Subramanian Gopalakrishnan
Director

Berkshire, UK
Noida, India
Date: 28 September 2020

HCL EAS Limited

Statement of Profit and Loss for the year ended 31 March 2020

(All amount are in thousands except stated otherwise)

		Note No.	Year ended 31 March 2020 (USD)	Year ended 31 March 2020 (₹)
I	**Revenue**			
	Revenue from operations	**2.10**	3,550	268,630
	Other income	**2.11**	35,763	2,705,961
	Total income		**39,313**	**2,974,590**
II	**Expenses**			
	Finance costs	**2.12**	1,463	110,674
	Outsourcing costs		2,462	186,331
	Other expenses	**2.13**	2,104	159,215
	Total expenses		**6,029**	**456,220**
III	**Profit before tax**		**33,284**	**2,518,370**
IV	**Tax expense**	**2.14**		
	Current tax/ (credit)		(310)	(23,487)
	Total tax expense/ (credit)		(310)	(23,487)
V	**Profit for the year**		**33,594**	**2,541,857**
VI	**Total comprehensive income for the year**		**33,594**	**2,541,857**
	Earnings per equity share	**2.15**		
	Basic		0.33	24.96
	Diluted		0.33	24.96
	Summary of significant accounting policies	**1**		

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FOR B S R & Co. LLP
Chartered Accountants

Firm Registration Number : 101248W/W-100022

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Rakesh Dewan

Partner

Membership Number: 092212

Gurugram, India

Date: 28 September 2020

For and on behalf of the Board of Directors of HCL EAS Limited

SHIV KUMAR WALIA

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Shiv Kumar Walia

Director

Berkshire, UK

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Subramanian Gopalakrishnan

Director

Noida, India

Date: 28 September 2020

HCL EAS Limited

Statement of Changes in Equity for the year ended 31 March 2020

(All amount are in thousands except stated otherwise)

(Amount in USD)

Years ended 31st March 2020	Equity share capital		Other equity	Total other equity
	Number of shares	Share capital	Reserves and surplus	
			Retained earnings	
Balance as at 1 April 2019	101,843,957	157,561	-	**-**
Profit for the year	-	-	33,594	**33,594**
Total comprehensive income for the year	-	-	33,594	**33,594**
Balance as at 31 March 2020	101,843,957	157,561	33,594	**33,594**

(Amount in INR)

	Equity share capital		Other equity	Total other equity
	Number of shares	Share capital	Reserves and surplus	
			Retained earnings	
Balance as at 1 April 2019	101,843,957	11,921,823	-	-
Profit for the year	-	-	2,541,857	2,541,857
Total comprehensive income for the year	-	-	2,541,857	2,541,857
Balance as at 31 March 2020	101,843,957	11,921,823	2,541,857	2,541,857

Refer note 1 for summary of significant accounting policies

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

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Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
Date: 28 September 2020

For and on behalf of the Board of Directors
of HCL EAS Limited

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Shiv Kumar Walia
Director

Berkshire, UK
Date: 28 September 2020

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Subramanian Gopalakrishnan
Director

Noida, India

HCL EAS Limited

Statement of Cash flows for the year ended 31 March 2020

(All amount are in thousands except stated otherwise)

Years ended 31st March 2020		Year ended 31 March 2020 (USD)	Year ended 31 March 2020 (₹)
A. Cash flows from operating activities			
Profit before tax		33,284	2,518,370
Adjustment for:			
Interest income		(2,342)	(177,208)
Interest expenses		1,457	110,229
Liability no longer required written back		(6,065)	(458,853)
Dividend from related parties		(27,356)	(2,069,899)
Operating loss before working capital changes		**(1,022)**	**(77,361)**
Movement in working capital			
Increase in other financial assets and other assets		(54)	(4,115)
Increase in trade payables		11	829
Increase in provisions, other financial liabilities and other liabilities		6	431
Cash used in operations		**(1,059)**	**(80,216)**
Direct taxes paid		310	23,456
Net cash used in operating activities	**(A)**	**(749)**	**(56,760)**
B. Cash flow from investing activities			
Proceeds from loan repayment by related parties		27,668	2,093,518
Loan given to related parties		(23,468)	(1,775,734)
Interest received		2,342	177,208
Dividend received from related parties		27,356	2,069,899
Net cash inflow from investing activities	**(B)**	**33,898**	**2,564,891**
C. Cash flows from financing activities			
Repayment of short term borrowings		(15,483)	(1,171,548)
Interest paid		(4,175)	(315,868)
Net cash flow (used in) financing activities	**(C)**	**(19,658)**	**(1,487,416)**
Net increase in cash and cash equivalents (A+B+C)		13,491	1,020,715
Cash and cash equivalents at the beginning of the year		10,529	796,692
Cash and cash equivalents at the end of the year as per note 2.6		**24,020**	**1,817,407**

Summary of significant accounting policies (Note 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
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ICAI Firm Registration Number : 101248W/W-100022

Rakesh Dewan

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Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
Date: 28 September 2020

For and on behalf of the Board of Directors of HCL EAS Limited

SHIV KUMAR WALIA

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Shiv Kumar Walia
Director

Berkshire, UK
Date: 28 September 2020

SUBRAMANIAN GOPALAKRISHNAN

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Date: 2020.09.28 22:45:22 +05'30'

Subramanian Gopalakrishnan
Director

Noida, India

ORGANIZATION AND NATURE OF OPERATIONS

HCL EAS Limited (hereinafter referred to as 'the Company') is an investment entity, investing in the shares of companies providing services associated with software consultancy services, business process outsourcing and infrastructure management services. The Company also provides a software license to a fellow group subsidiary. The Company was incorporated on September 11, 2008 in United Kingdom, 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 28 September 2020.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation as per financial statement:

The special purpose financial statements of the Company have been prepared in accordance with recognition and measurement principles 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 dollar (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. except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

(b) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs and expenses that are reported and disclosed in the financial statements and accompanying notes. These estimates are based on the 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, accounting for allowance for uncollectible accounts receivable, income taxes. 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) Foreign currency and translation

Transactions in foreign currencies are initially recorded by company at reporting currency spot rates at the date the transaction first qualifies for recognition. Foreign-currency denominated monetary assets and liabilities are translated to the reporting 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 reporting currencies using the exchange rate in effect on the date of the transaction.

The translation of foreign operations from respective functional currency into USD (the reporting currency) for assets and liabilities is performed using the exchange rates in effect at the balance sheet date, and for revenue, expenses and cash flows is performed using an appropriate daily weighted average exchange rate for the respective years.

(d) Fair value measurement

The Company records certain financial assets and liabilities at fair value on a recurring basis. The Company determines fair values based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability.

In accordance with Ind AS 113, assets and liabilities are to be measured based on the following valuation techniques:
a) Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
b) Income approach – Converting the future amounts based on market expectations to its present value using the discounting method.
c) Cost approach – Replacement cost method.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant who would use the asset in its highest and best use.

(e) Revenue recognition

Revenue (license fee) is recognised from the lease of the ALPS software asset to group fellow subsidiary company on the basis of "total chargeable policy count", being the number of policies invoiced to clients in the financial year. License fee is chargeable on a "per policy" basis and is based on the pricing schedule prescribed in the leasing agreement.

Interest income

Interest income is included in other income in the statement of profit and loss. Interest attributable to balances in bank account as per banking rules of respective country has been recognized on actual basis as other income. Interest income is recognised in the Statement of profit and loss using the effective interest method.

Dividend

Dividend income is recognised when right to receive the same is established.

(f) Finance costs

Finance costs are charged to the Income statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

(g) Equity instruments

Equity instruments in subsidiaries are measured at cost less accumulated impairment if any.

(h) 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 that it relates to items recognized directly in equity, in which case it is recognized in equity, wherever applicable. 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 includes the impact of provisions established for uncertain income tax positions, as well as the related interest and penalties, wherever applicable.

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.

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 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 entity and the same taxation authority.

The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the year 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.

(l) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(i) Provision 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.

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.

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 cash equivalents

Cash in the balance sheet comprise cash in banks, 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 finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.
This category generally applies to trade and other receivables.

Derecognition

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 statement of profit and loss.

ii. **Financial liabilities - Initial recognition and measurement**

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.

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method except for deferred consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. 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.

(j) Earnings per share (EPS)

Basic 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 outstanding during the year.

HCL EAS Limited
Notes to financial statements for the year ended 31 March 2020
(All amount are in thousands except stated otherwise)

2.1 Investments

	As at	
	31 March 2020	31 March 2020
	(USD)	(₹)
Financial assets		
Non - current		
Unquoted Investment		
Equity instruments in subsidiary companies carried at cost		
30,000 shares of EUR 10 each in Filial Espanola De HCL Technoloiges S.L., Spain	369	27,935
100,000 shares without nominal value in HCL Technologies Belgium BVBA, Belgian	-	-
67,820,332 shares of GBP 0.01 each in Axon Group Limited, UK	686,761	51,963,754
2,516,000 shares of EUR 1 each in HCL Technologies France, France	3,537	267,644
2,716,838 shares of PHP 100 each in HCL Technologies Philippines Inc., Philippines	6,190	468,367
56 shares of Bs 1000 each in HCL Technoloiges S.A., Venezuela	-	-
1 share of EGP 10 each in HCL Technologies Egypt Ltd., Egypt	-	-
1 share of THB 100 each in HCL Technologies (Thailand) Limited, Thailand	-	-
1 shares of OMR 100 each in HCL Muscat Technologies LLC, Oman	-	-
	696,857	52,727,700

2.2 Cash and cash equivalents

	As at	
	31 March 2020	31 March 2020
	(USD)	(₹)
Balance with banks		
- in current accounts	24,020	1,817,407
	24,020	**1,817,407**

2.3 Loans

	As at	
	31 March 2020	31 March 2020
	(USD)	(₹)
Current		
Unsecured considered good		
Loans to related parties (refer note 2.16)	68,417	5,176,888
	68,417	**5,176,888**

2.4 Other financial assets

	As at	
	31 March 2020	31 March 2020
	(USD)	(₹)
Current		
Carried at amortized cost		
Interest receivable - related parties (refer note- 2.16)	2,284	172,754
	2,284	172,754

2.5 Other current assets

	As at	
	31 March 2020	31 March 2020
	(USD)	(₹)
Unsecured , considered good		
Others		
Other receivables- related parties (refer note 2.16)	987	74,680
	987	**74,680**

2.6 Share capital

	As at	
	31 March 2020	31 March 2020
	(USD)	(₹)
Authorized 101,843,957 ordinary shares of GBP 1 each	157,561	11,921,823
Issued, subscribed and fully paid up 101,843,957 ordinary shares of GBP 1 each	157,561	11,921,823

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 financial year

	As at
	31 March 2020
	No. of shares
Number of ordinary shares at the beginning	101,843,957
Number of ordinary shares at the end	101,843,957

ordinary shares are normal equity shares.

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

Name of the shareholder	As at	
	31 March 2020	
	No. of shares	% holding in the class
ordinary shares of GBP 1 each fully paid	101,843,957	100.00%
HCL Technologies Austria GmbH, the holding company	71,840,727	70.54%
HCL Technologies Limited	30,003,230	29.46%

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 for consideration 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 short term borrowings and dividend income from fellow subsidiaries.

HCL EAS Limited
Notes to financial statements for the year ended 31 March 2020
(All amount are in thousands except stated otherwise)

2.7 Borrowings

	As at	
	31 March 2020	31 March 2020
	(USD)	(₹)
Short term borrowings		
Unsecured		
Short term loan - related parties (refer note below and note 2.16)	27,000	2,042,955
	27,000	**2,042,955**

Borrowings are taken by the company for management of working capital. The Company has availed borrowings at interest rate ranging between LIBOR+1% p.a. & LIBOR+2%, which is repayable on demand.

2.8 Trade payables

	As at	
	31 March 2020	31 March 2020
	(USD)	(₹)
Trade payables - related parties (refer note 2.16)	626	47,271
	626	**47,271**

2.9 Other financial liabilities

	As at	
	31 March 2020	31 March 2020
	(USD)	(₹)
Non current		
Carried at amortized cost		
4% cummulative preference shares (refer note below)	513,699	38,869,012
	513,699	**38,869,012**
Current		
Carried at amortized cost		
4% cummulative preference shares (refer note below)	60,000	4,539,900
Interest accrued but not due on borrowings (refer note 2.16)	102	7,830
Others		
Liabilities for expenses	9	718
	573,810	**43,417,460**

Cumulative preference shares carry an annual coupon rate of 4 %. The finance cost (Interest) on these shares will be payable if the company has sufficient distributable profit before its redemption. The tenure of 250,198,700 preference shares of $1 each have been extended by 5 years which were due to redeemed on 30 March 2020. No preference shares were issued during the year.

Further, the company has evaluated and amended the terms and conditions of preference shares w.e.f. 31st March 2020:

a) Coupon rate has been changed from 4% to 2.2.%.
b) It has been made mandatory for the entity to pay all dividends accumulated on preference shares post amendment in terms and conditions.
c) Extension of preference shares can be assessed as and when redemption is getting due for period of 5 years.

The Company evaluated the above terms and measured the instruments accordingly based on underlying guidance.

HCL EAS Limited
Notes to financial statements for the year ended 31 March 2020
(All amount are in thousands except stated otherwise)

2.10 Revenue from operations

	Year ended	
	31 March 2020	**31 March 2020**
	(USD)	**(₹)**
Sale of services	3,550	268,630
	3,550	**268,630**

Disaggregate Revenue Information

(a) The disaggregated revenue from contracts with the customers by contract type is as follows:

	Year ended	
	31 March 2020	**31 March 2020**
	(USD)	**(₹)**
Time and material	3,550	268,630
	3,550	**268,630**

(b) The disaggregated revenue from customers by geographic area based on location of customer is as follows:

	Year ended	
	31 March 2020	**31 March 2020**
	(USD)	**(₹)**
United Kingdom	3,550	268,630
Total	**3,550**	**268,630**

HCL EAS Limited
Notes to financial statements for the year ended 31 March 2020
(All amount are in thousands except stated otherwise)

2.11 Other income

	Year ended	
	31 March 2020	31 March 2020
	(USD)	(₹)
Interest income		
- On bank balances	173	13,122
- On others- related parties (refer note 2.16)	2,169	164,086
Liability no longer required written back (refer note 2.16)	6,065	458,853
Dividends from subsidiaries	27,356	2,069,899
	35,763	**2,705,961**

2.12 Finance costs

	Year ended	
	31 March 2020	31 March 2020
	(USD)	(₹)
Interest		
Bank overdraft	317	23,972
Others- related parties (refer note 2.16)	1,140	86,257
Bank charges	6	445
	1,463	**110,674**

2.13 Other expenses

	Year ended	
	31 March 2020	31 March 2020
	(USD)	(₹)
Legal and professional charges	14	1,094
Exchange differences (net)	2,090	158,121
	2,104	**159,215**

2.14 Tax expense

	Year ended	
	31 March 2020	31 March 2020
	(USD)	(₹)
Income tax charged to statement of profit and loss		
Current income tax /(credit)	(85)	(6,431)
Current tax/ (credit) true up in respect of previous years	(225)	(17,056)
	(310)	**(23,487)**

2.15 Earnings Per Share

The computation of earnings per ordinary share is as follows:

	Year ended	
	31 March 2020	31 March 2020
	(USD)	(₹)
Net profit as per Statement of profit and loss for computation of EPS	33,594	2,541,857
Weighted average number of ordinary share outstanding in calculating of Basic EPS	101,843,957	101,843,957
Weighted average number of ordinary shares outstanding in calculating dilutive EPS	101,843,957	101,843,957
Nominal value of ordinary share(in GBP)	1	1
Earnings per quota		
- Basic	0.33	24.96
- Diluted	0.33	24.96

2.16 Related party transactions

a) Related parties where control exists

Holding company

HCL Technologies Austria GmbH

Ultimate holding company

HCL Technologies Limited

Subsidiaries

Filial Espanola De HCL Technologies S.L
Axon Group Limited
HCL Technologies France SAS
HCL Technologies Philippines Inc.

b) Related parties with whom transactions have taken place during the year

Holding company

HCL Technologies Austria GmbH

Subsidiaries

HCL Technologies France SAS
Axon Group Limited

Fellow Subsidiary

Geometric SAS
HCL Technologies Middle East FZ-LLC
HCL Technologies Malaysia Sdn. Bhd.
HCL Guatemala, Sociedad Anonima
Geometric Europe GmbH
HCL Technologies Sweden AB
HCL Insurance BPO Services Limited
HCL Technologies UK Limited
Point To Point Products Limited
HCL Investments (UK) Ltd
HCL Technologies Belgium BVBA
HCL Hungary Kft
HCL Technologies Germany Gmbh
HCL Bermuda Limited
HCL Technologies Denmark Aps
HCL Singapore Pte. Limited
HCL Technologies Finland Oy
HCL Technologies South Africa (Proprietary) Limited
HCL (Ireland) Information Systems Limited
HCL Technologies Italy S.P.A.
Axon Solutions Limited
HCL Technologies Solution GmbH
HCL istanbul Bilisim Teknolojileri Limited sirketi

HCL EAS Limited
Notes to financial statements for the year ended 31 March 2020
(All amount are in thousands except stated otherwise)

	Transactions with related parties during the normal course of business								
	Revenue from operations	Dividend income	Interest income	Consutling charges	Liability no longer required written back	Interest expenses	Payment against borrowings	Disbursement in respect of loan given	Receipt against loan given
31 March 2020 (USD)									
Holding company	-	-	118	-	-	-	-	250	-
Subsidiaries	-	27,356	186	-	-	-	-	-	-
Fellow subsidiaries	3,550	-	1,865	2,462	6,065	1,140	15,483	23,219	27,668
	3,550	**27,356**	**2,169**	**2,462**	**6,065**	**1,140**	**15,483**	**23,468**	**27,668**
31 March 2020 ('₹)									
Holding company	-	-	8,897	-	-	-	-	18,905	-
Subsidiaries	-	2,069,899	14,108	-	-	-	-	-	-
Fellow subsidiaries	268,630	-	141,081	186,332	458,853	86,257	1,171,548	1,756,830	2,093,518
	268,630	**2,069,899**	**164,086**	**186,332**	**458,853**	**86,257**	**1,171,548**	**1,775,734**	**2,093,518**

	Outstanding balances						
	Loans asset	Short term loan liab.	Interest receivables	Trade payables	Interest accrued but not due on borrowings	Investment in group companies	Other receivables
31 March 2020 (USD)							
Holding company	2,900	-	118	-	-	-	-
Subsidiaries	-	-	23	-	-	-	-
Fellow subsidiaries	65,517	27,000	2,143	626	102	696,857	987
	68,417	**27,000**	**2,284**	**626**	**102**	**696,857**	**987**
31 March 2020 ('₹)							
Holding company	219,429	-	8,897	-	-	-	-
Ultimate Holding company	-	-	1,740	-	-	-	-
Fellow subsidiaries	4,957,460	2,042,955	162,117	47,271	7,830	52,727,700	74,680
	5,176,888	**2,042,955**	**172,754**	**47,271**	**7,830**	**52,727,700**	**74,680**

As per our report of even date

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

Rakesh Dewan Digitally signed by Rakesh Dewan Date: 2020.09.28 23:19:57 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
Date: 28 September 2020

For and on behalf of the Board of Directors
of HCL EAS Limited

SHIV KUMAR WALIA Digitally signed by SHIV KUMAR WALIA Date: 2020.09.28 22:46:07 +05'30'

Shiv Kumar Walia
Director

Berkshire, UK
Date: 28 September 2020

SUBRAMANIAN GOPALAKRISHNAN Digitally signed by SUBRAMANIAN GOPALAKRISHNAN Date: 2020.09.28 22:46:29 +05'30'

Subramanian Gopalakrishnan
Director

Noida, India