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Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF HCL Bermuda Limited

Report on the Audit of Special Purpose Financial Statements

Qualified Opinion

We have audited the special purpose financial statements of **HCL Bermuda Limited** ("the Company"), which comprise the balance sheet as at 31 March 2020, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information. These financial statements have been prepared by management in accordance with the Basis of preparation specified in Note 1(a) to the accompanying notes to the special purpose financial statements.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the 'Basis for Qualified Opinion' section of our report, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, 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 Note 1(a) to the special purpose financial statements.

Basis for Qualified Opinion

We were appointed as auditors of the Company on 7 February 2020. Accordingly, we have not audited the special purpose financial statements for year ended 31 March 2019 (refer Other matter paragraph below). Attention is drawn to note 2.1 of the special purpose financial statements wherein the Company explained that it evaluated the terms and conditions of investment made by the Company in Preference Shares amounting to USD 573,699 thousand for determining the accounting thereof. However, evaluation of the earlier underlying terms of issue of these preference shares is not in accordance with the applicable accounting guidance under Ind AS 109 "Financial Instruments" and its effects have not been determined by the Company. Accordingly, we were unable to obtain sufficient appropriate audit evidence to comment on the impact of this matter on the corresponding figures and its consequential impact on opening balances of investments and retained earnings of the Company in respect of this investment. As Opening balance of investments may impact the determination of the financial performance, we were unable to determine whether adjustments might have been necessary in respect of the profit for the year reported in the statement of profit or loss (including other comprehensive income) for the year ended 31 March 2020.

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 SAs 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 qualified opinion on the financial statements.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the preparation of these special purpose 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 of preparation, as described in Note 1 (a) to the special purpose 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, 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.

The Board of Directors is 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 SAs 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 SAs, 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 and Board of Directors.

• Conclude on the appropriateness of Management and Board of Directors 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.

Other Matter

Attention is drawn to the fact that the corresponding figures for the year ended 31 March 2019 are based on the previously issued special purpose financial statements of the Company that were audited by the predecessor auditor who expressed an unmodified opinion on those special purpose financial statements on 28 June 2019.

Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 1(a) to the special purpose financial statements, which describes the basis of accounting. These special purpose financial statements are prepared for the use of the Company and the ultimate holding Company, HCL Technologies Limited, to comply with the requirements of Section 129(3) of the Companies Act 2013. These special purpose 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 report must not be copied, disclosed, quoted or circulated, or referred to, in correspondence or discussion, in whole or in part or distributed to anyone other than the purpose for which it has been issued without our prior written consent.

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

Rakesh Dewan

Digitally signed by Rakesh Dewan
Date: 2020.10.07 22:41:50 +05'30'

Rakesh Dewan
Partner
Membership No.: 092212
ICAI UDIN: 20092212AAAAEU5458

Place: Gurugram
Date: 07 October 2020