HCL Investments (UK) Limited

SPECIAL PURPOSE FINANCIAL STATEMENTS

For the year ended 31 March 2021

HCL Investments (UK) Limited
Special Purpose Balance Sheet as at 31 March 2021
(All amount in thousands, except share data and as stated otherwise)

	Note No.	As at 31 March 2021 (USD)	As at 31 March 2021 refer note 1 (a) (₹)
ASSETS			
(1) Non-current assets			
(a) Financial assets			
(i) Investments	2.1	10,098	738,230
(b) Other non-current assets	2.4	49,343	3,607,435
(2) Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	2.5	4,317	315,607
(ii) Loans	2.2	17	1,208
(iii) Others	2.3	21,198	1,549,818
(b) Other current assets	2.6	11,148	814,921
TOTAL ASSETS		96,121	7,027,219
EQUITY			
(a) Equity share capital	2.7	10,666	779,770
(b) Other equity		35,628	2,604,668
TOTAL EQUITY			
LIABILITIES			
(1) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	2.8	38,000	2,778,207
(ii) Others	2.9	11,021	805,690
(b) Other current liabilities	2.10	525	38,413
(c) Current tax liabilities (net)		281	20,471
TOTAL EQUITY AND LIABILITIES		96,121	7,027,219
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: 2021.08.02 21:13:17 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
Date: 02, AUGUST, 2021

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

SHIV KUMAR WALIA Digitally signed by SHIV KUMAR WALIA Date: 2021.08.02 20:10:04 +05'30'

Shiv Kumar Walia
Director

Berkshire, UK
Date: 02, AUGUST, 2021

RAHUL SINGH Digitally signed by RAHUL SINGH Date: 2021.08.02 20:10:26 +05'30'

Rahul Singh
Director

London, UK
Date: 02, AUGUST, 2021

HCL Investments (UK) Limited
Special Purpose Statement of Profit and Loss for the year ended 31 March 2021
(All amount in thousands, except share data and as stated otherwise)

	Note No.	Year ended 31 March 2021 (USD)	Year ended 31 March 2021 refer note 1 (a) (₹)
I Revenue			
Revenue from operations	2.11	6,091	445,296
Other income	2.12	-	28
Total revenue		6,091	445,324
II Expenses			
Finance costs	2.13	558	40,859
Other expenses	2.14	15	1,099
Total expenses		573	41,958
III Profit before tax		5,518	403,366
IV Tax expense			
Current tax	2.15	934	68,285
Total tax expense		934	68,285
V Profit for the year		4,584	335,081
VI Other comprehensive income		-	-
VII Total Comprehensive Income for the year		4,584	335,081
Earnings per equity share			
Basic and Diluted	2.16	0.66	48.39
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: 2021.08.02 21:13:53 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
Date: 02, AUGUST, 2021

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

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Shiv Kumar Walia
Director

Rahul Singh
Director

Berkshire, UK
Date: 02, AUGUST, 2021

London, UK
Date: 02, AUGUST, 2021

HCL Investments (UK) Limited
Special Purpose Statement of Changes in Equity for the period ended 31 March 2021
(All amount in thousands, except share data and as stated otherwise)

	Equity share capital		Other Equity		Total
			Reserve and Surplus		
	Shares	Share capital	Securities premium	Retained earnings	Total Equity
	(No's)	(USD)	(USD)	(USD)	(USD)
Balance as of April 1, 2020	6,925,100	10,666	29,102	1,942	41,710
Profit for the year	-	-	-	4,584	4,584
Total comprehensive income for the year	-	-	-	4,584	4,584
Balance as of March 31, 2021	**6,925,100**	**10,666**	**29,102**	**6,526**	**46,294**

	Equity share capital		Other Equity		Total
			Reserve and Surplus		
	Shares	Share capital	Securities premium	Retained earnings	Total Equity
		refer note 1 (a)	refer note 1 (a)	refer note 1 (a)	refer note 1 (a)
	(No's)	(₹)	(₹)	(₹)	(₹)
Balance as of April 1, 2020	6,925,100	779,770	2,127,623	141,964	3,049,357
Profit for the year	-	-		335,081	335,081
Total comprehensive income for the year	-	-	-	335,081	335,081
Balance as of March 31, 2021	**6,925,100**	**779,770**	**2,127,623**	**477,045**	**3,384,438**

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: 2021.08.02 21:14:23 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
Date: 02, AUGUST, 2021

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

SHIV KUMAR WALIA Digitally signed by SHIV KUMAR WALIA Date: 2021.08.02 20:12:13 +05'30'

RAHUL SINGH Digitally signed by RAHUL SINGH Date: 2021.08.02 20:11:49 +05'30'

Shiv Kumar Walia
Director

Rahul Singh
Director

Berkshire, UK
Date: 02, AUGUST, 2021

London, UK
Date: 02, AUGUST, 2021

HCL Investments (UK) Limited
Special Purpose Cash Flow Statement for the period ended 31 March 2021
(All amount in thousands, except share data and as stated otherwise)

		Year ended 31 March 2021 (USD)	Year ended 31 March 2021 refer note 1 (a) (₹)
A. Cash flows from operating activities			
Profit before tax		5,518	403,366
Adjustment for:			
Interest income		-	28
Interest expenses		556	40,667
Operating profit before working capital changes		**6,074**	**444,061**
Net changes in			
Financial assets and other assets		(30,715)	(2,245,590)
Financial liabilities and other liabilities		2,356	172,308
Cash (used in) operations		**(22,285)**	**(1,629,221)**
Direct taxes paid (net of refunds)		(808)	(59,109)
Net cash flow (used) in operating activities	**(A)**	**(23,093)**	**(1,688,330)**
B. Cash flows from investing activities			
Loan given during the year		(2)	(124)
Interest received		-	(22)
Net cash flow (used) in investing activities	**(B)**	**(2)**	**(146)**
C. Cash flows from financing activities			
Repayment of short term borrowings		(2,000)	(146,221)
Net cash flow used in financing activities	**(C)**	**(2,000)**	**(146,221)**
Net decrease in cash and cash equivalents (A+B+C)		(25,095)	(1,834,697)
Cash and cash equivalents at the beginning of the year		29,412	2,150,304
Cash and cash equivalents at the end of the year as per note 2.5		**4,317**	**315,607**

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
Chartered Accountants
ICAI Firm Registration Number : 101248W/W-100022

Rakesh Dewan Digitally signed by Rakesh Dewan Date: 2021.08.02 21:14:51 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
Date: 02,AUGUST,2021

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

SHIV KUMAR WALIA Digitally signed by SHIV KUMAR WALIA Date: 2021.08.02 20:12:39 +05'30'

RAHUL SINGH Digitally signed by RAHUL SINGH Date: 2021.08.02 20:13:29 +05'30'

Shiv Kumar Walia
Director

Rahul Singh
Director

Berkshire, UK
Date: 02,AUGUST,2021

London, UK
Date: 02,AUGUST,2021

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 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 2021 were approved and authorized for issue by the Board of Directors on 02,AUGUST,2021.

1. Significant Accounting Policies

a) Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ("Act") 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 to the financial statements. These financial statements have been prepared on the request of HCL Technologies Limited, being the Ultimate Holding Company to comply with the requirements of the Companies Act, 2013 and are accordingly special purpose financial statements. As the company is not domiciled in India and hence not registered under Companies Act 2013, these special purpose financial statements 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 and so they do not reflect all the disclosures requirements of the Act.

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).

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 = ₹ 73.11, 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 the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses, other comprehensive income (OCI) and contingent liabilities 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. Actual results could differ from those estimates. Changes in estimates are reflected in the financial statements in the year in which the changes are made.

Significant estimates and assumptions are used for, but not limited to,

i. Allowance for uncollectible receivables, refer note 1(d)
ii. Recognition of income and taxes, refer note 1(g) and note 2.14
iii. Provisions, refer note 1(h)
iv. Estimate of impairment on investment, refer note 1 (c)

In view of pandemic relating to COVID -19, the company has considered and taken into account internal and external information and has performed sensitivity analysis based on current estimates in assessing the recoverability of receivables, investments, other assets, impact on revenues and costs, including but not limited to the assessment of liquidity and going concern assumption. However, the actual impact of COVID-19 on the company's financial statements may differ from that estimated and the company will continue to closely monitor any material changes to future economic conditions.

c) Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investment is tested annually on March 31, for impairment, or sooner whenever there is an indication that investment may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, the recoverable amount (i.e. the lower of the book value or recoverable amount) is determined on an individual investment basis and difference between them is recognized as investment impairment in statement of profit and loss which cannot be reversed in the subsequent period.

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 is 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

As a part of arrangement between the Company, State Street HCL Services (India) Private Limited ("Step-down subsidiary") and the end customer of the step-down subsidiary, the Company has agreed to provide discount to the end customer on behalf of the step-down subsidiary and would recover this discount from step-down subsidiary over the period of the contract with end customer. This amount has been recorded as Deferred contract cost. The Company believes that the said discount is in nature of financing. The Company is recovering annual return on the financing, which is being presented as part of revenue. Further, the Company is providing invoicing & collection services to its step-down subsidiary as a part of above arrangement, the fee for which is negligible.

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. 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.

j) Nature and purpose of reserves

Security Premium

The share premium reserve includes all proceeds from share issues where proceeds have exceeded par value.

k) Recently issued accounting pronouncements

On 24 March 2021, the Ministry of Corporate Affairs (MCA), notified amendments in Schedule III to the Companies Act, 2013 effective from 1 April 2021. The Company is currently evaluating the impact of these amendments on its financial statements.

HCL Investments (UK) Limited
Notes to special purpose financial statements for the period ended 31 March 2021
(All amount in thousands, except share data and as stated otherwise)

2.1 Investments

	Holding%	As at	
		31 March 2021	31 March 2021
			refer note 1 (a)
		(USD)	(₹)
Financial assets			
Non - current			
In subsidiary companies (unquoted), fully paid up			
10,000,000 equity shares (31 March 2020: 10,000,000) of USD 1 each, in State Street HCL Holdings (UK) Ltd.	49%	10,098	738,230
		10,098	**738,230**

The company is a joint venture between State Street International Holdings ("SSIH") and HCL Investments (UK) Limited ("HCL Investments"). SSIH holds class "A" shares with 51% shareholding and HCL Investments holds class "B" share with 49% shareholding.The shareholders' agreement provides specific rights to the two shareholders. HCL Investments through the operating committee controls the relevant activities and HCL Investments has exposure to returns through 100% dividend rights and has ability to influence the returns. Therefore, HCL Investments is having control over the Company.

2.2 Loans

	As at	
	31 March 2021	31 March 2021
		refer note 1 (a)
	(USD)	(₹)
Current		
Short-term loan- related parties (Refer note 2.17)	17	1,208
	17	**1,208**

2.3 Other financial assets

	As at	
	31 March 2021	31 March 2021
		refer note 1 (a)
	(USD)	(₹)
Current		
Interest on short term loan- related parties (Refer note-2.17)	3	228
Other receivables	21,195	1,549,590
	21,198	**1,549,818**

2.4 Other non- current assets

	As at	
	31 March 2021	31 March 2021
		refer note 1 (a)
	(USD)	(₹)
Unsecured, considered good		
Deferred contract cost	49,343	3,607,435
	49,343	**3,607,435**

2.5 Cash and cash equivalents

	As at	
	31 March 2021	31 March 2021
		refer note 1 (a)
	(USD)	(₹)
Balance with banks		
- in current accounts	4,317	315,607
	4,317	**315,607**

2.6 Other current assets

	As at	
	31 March 2021	31 March 2021
		refer note 1 (a)
	(USD)	(₹)
Deferred contract cost	11,148	814,921
	11,148	**814,921**

HCL Investments (UK) Limited
Notes to special purpose financial statements for the period ended 31 March 2021
(All amount in thousands, except share data and as stated otherwise)

2.7 Share Capital

	As at	
	31 March 2021	31 March 2021
		refer note 1 (a)
	(USD)	(₹)
Authorized 6,925,100 (previous year 6,925,100) equity shares of GBP 1 each	10,666	779,770
Issued, subscribed and fully paid up 6,925,100 (previous year 6,925,100) equity shares of GBP 1 each, fully paid up.	10,666	779,770

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 2021	
	No. of Shares	Amount (USD)
Number of shares at the beginning	6,925,100	10,666
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 2021	
	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 2021	
	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.

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 and short term borrowings from fellow subsidiaries.

HCL Investments (UK) Limited
Notes to special purpose financial statements for the period ended 31 March 2021
(All amount in thousands, except share data and as stated otherwise)

2.8 Borrowings

	As at	
	31 March 2021	31 March 2021
		refer note 1 (a)
	(USD)	(₹)
Short term borrowings		
Unsecured		
Loans from related party (Refer note 2.17)	38,000	2,778,207
	38,000	**2,778,207**

2.9 Other financial liabilities

	As at	
	31 March 2021	31 March 2021
		refer note 1 (a)
	(USD)	(₹)
Current		
Interest Payable-related parties (refer note 2.17)	591	43,205
Liabilities for expenses	16	1,135
Liabilities for expenses-related parties (refer note 2.17)	719	52,561
Other payables-related parties (Refer Note 2.17)	9,695	708,789
	11,021	**805,690**

2.10 Other current liabilities

	As at	
	31 March 2021	31 March 2021
		refer note 1 (a)
	(USD)	(₹)
Other taxes payable	525	38,413
	525	**38,413**

HCL Investments (UK) Limited

Notes to special purpose financial statements for the period ended 31 March 2021

(All amount in thousands, except share data and as stated otherwise)

2.11 Revenue from operations

	Year ended 31 March 2021 (USD)	Year ended 31 March 2021 refer note 1 (a) (₹)
Sale of services	6,091	445,296
	6,091	**445,296**

Disaggregate revenue information

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

	Year ended 31 March 2021 (USD)	Year ended 31 March 2021 refer note 1 (a) (₹)
India	6,091	445,296
	6,091	**445,296**

2.12 Other income

	Year ended 31 March 2021 (USD)	Year ended 31 March 2021 refer note 1 (a) (₹)
Interest income -related parties (refer note 2.17)	-	28
	-	**28**

2.13 Finance costs

	Year ended 31 March 2021 (USD)	Year ended 31 March 2021 refer note 1 (a) (₹)
Interest-related parties (refer note 2.17)	556	40,667
Bank charges	2	192
	558	**40,859**

2.14 Other expenses

	Year ended 31 March 2021 (USD)	Year ended 31 March 2021 refer note 1 (a) (₹)
Legal and professional charges	4	294
Audit Fees	11	805
	15	**1,099**

2.15 Income taxes

	Year ended 31 March 2021	Year ended 31 March 2021 refer note 1 (a)
	(USD)	(₹)
Current income tax charge	934	68,285
	934	68,285

2.16 Earnings Per Share (EPS)

	Year ended 31 March 2021	Year ended 31 March 2021 refer note 1 (a)
	(USD)	(₹)
Net profit as per Statement of profit and loss for computation of EPS	4,584	335,081
Weighted average number of equity shares outstanding in calculating basic and diluted EPS	6,925,100	6,925,100
Nominal value of equity shares (in GBP)	1	1
Earnings per share		
- Basic and Diluted	0.66	48.39

2.17 Related party transactions

a) Related parties where control exists
Ultimate holding company
HCL Technologies Limited
State Street HCL Holdings (UK) Limited
Holding company
Axon Solutions Limited
Subsidiary
State Street HCL Holdings (UK) Limited

b) Related parties with whom transactions have taken place during the year
Ultimate holding company
HCL Technologies Limited
Subsidiary
State Street HCL Holdings (UK) Limited
Fellow Subsidiaies
Statestreet HCL Services India Pvt Ltd*
HCL America Inc.
HCL Technologies Philippines
Other (Significant influence)
State Street Bank and Trust Company

*The company is providing invoicing and collection services to its fellow subsidiary and is acting as an agent for fellow subsidiary that is providing business process outsourcing services to the end customer and therefore the company has a right of offset for amounts due to/from the same fellow subsidiary.

HCL Investments (UK) Limited
Notes to special purpose financial statements for the period ended 31 March 2021
(All amount in thousands, except share data and as stated otherwise)

2.17 Related party transactions (continued)

c) Transactions with related parties during the ordinary course of business

(USD)

	Ultimate Holding company	Holding company	Fellow subsidiaries	Significant Influence
	Year ended			
	31 March 2021	31 March 2021	31 March 2021	31 March 2021
Revenue from opeartions	-	-	6091	-
Interest Income	-	-	-	-
Short term loan-repaid	-	-	2,000	-
Interest expense	-	-	556	-
Short term loan given	-	-	2	-
Total	-	-	8,649	-

(₹)
refer note 1(a)

	Ultimate Holding company	Holding company	Fellow subsidiaries	Significant Influence
	Year ended			
	31 March 2021	31 March 2021	31 March 2021	31 March 2021
Revenue from opeartions	-	-	445,296	-
Interest Income	-	-	28	-
Short term loan-repaid	-	-	146,221	-
Interest expense	-	-	40,667	-
Short term loan given	-	-	124	-
Total	-	-	632,336	-

Material related party transactions	Year ended	
	31 March 2021 USD	31 March 2021 (₹) refer note 1 (a)
Revenue from operations		
Statestreet HCL Services India Pvt Ltd	6,091	445,296
Short term loan-repaid		
HCL America Inc	2,000	146,221
Interest Expense		
HCL America Inc	556	40,667

d) Outstanding balances of related parties as at 31 March 2021

(USD)

	Ultimate Holding company	Holding company	Fellow subsidiaries	Significant Influence
	As at	As at	As at	As at
	31 March 2021	31 March 2021	31 March 2021	31 March 2021
Financial liabilities and other liabilities	2	1	49,002	-
Financial assets and other assets	-	-	20	21,195

(₹)
refer note 1(a)

	Ultimate Holding company	Holding company	Fellow subsidiaries	Significant Influence
	As at	As at	As at	As at
	31 March 2021	31 March 2021	31 March 2021	31 March 2021
Financial liabilities and other liabilities	145	56	3,582,560	-
Financial assets and other assets	-	-	1,436	1,549,590

2.18 Subsequent events

There are no subsequent events to be disclsoed after the reporting period.

3. The Company has presented its financial statements in "USD in thousands" and accordingly, amounts less than USD 0.50 thousands 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: 2021.08.02 21:15:27 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
Date: 02, AUGUST, 2021

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

SHIV KUMAR WALIA Digitally signed by SHIV KUMAR WALIA Date: 2021.08.02 20:14:57 +05'30'

RAHUL SINGH Digitally signed by RAHUL SINGH Date: 2021.08.02 20:13:54 +05'30'

Shiv Kumar Walia
Director

Rahul Singh
Director

Berkshire, UK
Date: 02, AUGUST, 2021

London, UK
Date: 02, AUGUST, 2021