HCL Technologies UK Limited

Special Purpose Financial Statements

For the year ended 31 March 2021

HCL Technologies UK Limited
Special Purpose Balance sheet as at 31 March 2021
(All amounts are in millions , except stated otherwise)

		Note No.	As at 31 March 2021 (GBP)	As at 31 March 2021 (₹)
I.	**ASSETS**			
	(1) Non-current assets			
	(a) Property, plant and equipment	**2.1**	11.61	1,169.43
	(b) Right-of-use assets	**2.26**	11.18	1,126.56
	(c) Goodwill	**2.2**	18.38	1,852.07
	(d) Other intangible assets	**2.3**	27.61	2,782.53
	(e) Financial assets			
	(i) Investments	**2.4**	101.43	10,220.64
	(ii) Others	**2.5**	22.12	2,228.94
	(f) Deffered tax assets (net)	**2.24**	0.20	20.15
	(g) Other non-current assets	**2.6**	6.37	641.88
	(2) Current assets			
	(a) Inventories	**2.7**	0.74	74.57
	(b) Financial assets			
	(i) Trade receivables	**2.8**	119.40	12,031.81
	(ii) Cash and cash equivalents	**2.9**	8.29	835.35
	(iii) Loans	**2.10**	46.04	4,639.24
	(iv) Others	**2.5**	5.31	535.07
	(c) Other current assets	**2.11**	60.29	6,075.16
	TOTAL ASSETS		**438.97**	**44,233.41**
II.	**EQUITY**			
	(a) Equity share capital	**2.12**	145.48	14,658.97
	(b) Other equity		(7.22)	(727.49)
	TOTAL EQUITY		**138.26**	**13,931.48**
III.	**LIABILITIES**			
	(1) Non - current liabilities			
	(a) Financial liabilities			
	(i) Lease liabilities	**2.26**	9.55	962.31
	(ii) Others	**2.13**	0.13	13.10
	(b) Other non-current liabilities	**2.14**	5.93	597.54
	(2) Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	**2.15**	48.60	4,897.20
	(ii) Lease liabilities	**2.26**	2.78	280.13
	(iii) Trade payables	**2.16**	99.09	9,984.85
	(iv) Others	**2.13**	95.51	9,624.11
	(b) Other current liabilities	**2.17**	30.71	3,095.25
	(c) Provisions			
	(c) Current tax liabilities (net)		8.41	847.44
	TOTAL EQUITY AND LIABILITIES		**438.97**	**44,233.41**
	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 Digitally signed by Rakesh Dewan Date: 2021.08.04 23:01:35 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
Date : 4 August 2021

For and on behalf of the Board of Directors
of HCL Technologies UK Limited

SHIV KUMAR WALIA Digitally signed by SHIV KUMAR WALIA Date: 2021.08.04 22:36:00 +05'30'

Shiv Kumar Walia
Director

Berkshire, UK
Date : 4 August 2021

RAHUL SINGH Digitally signed by RAHUL SINGH Date: 2021.08.04 22:36:29 +05'30'

Rahul Singh
Director

London, UK
Date : 4 August 2021

HCL Technologies UK Limited
Special Purpose Statement of Profit and Loss for the year ended 31 March 2021
(All amounts are in millions , except stated otherwise)

		Note No.	Year ended 31 March 2021 (GBP)	Year ended 31 March 2021 (₹)
I	**Revenue**			
	Revenue from operations	**2.18**	593.44	59,798.28
	Other income	**2.19**	18.11	1,824.87
	Total income		**611.55**	**61,623.15**
II	**Expenses**			
	Purchase of stock-in-trade		9.63	970.69
	Changes in inventories of stock-in-trade	**2.20**	(0.08)	(8.39)
	Employee benefits expense	**2.21**	188.10	18,953.99
	Finance costs	**2.22**	1.75	176.34
	Depreciation and amortization expense		12.05	1,214.22
	Outsourcing costs		316.96	31,938.63
	Other expenses	**2.23**	48.94	4,931.46
	Total expenses		**577.35**	**58,176.94**
III	**Profit before tax**		**34.20**	**3,446.21**
IV	**Tax expense**	**2.24**		
	Current tax		7.33	738.61
	Deferred tax credit		(0.49)	(49.38)
	Total tax expense		6.84	689.23
V	**Profit for the year**		**27.36**	**2,756.98**
VI	**Total comprehensive income for the year**		**27.36**	**2,756.98**
	Earnings per equity share	**2.25**		
	Basic		0.22	21.73
	Diluted		0.22	21.73
	Summary of significant accounting policies	**1**		

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

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Partner
Membership Number: 092212

Gurugram, India
Date : 4 August 2021

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Rahul Singh
Director

London, UK
Date : 4 August 2021

HCL Technologies UK Limited

Special Purpose Statement of Changes in Equity for the year ended 31 March 2021

(All amounts are in millions , except stated otherwise)

(Amount in GBP)

	Equity share capital		Other equity		Total other equity
	Number of shares	Share capital	Retained earnings	Other reserves*	
Balance as at 1 April 2020	103,362,191	78.09	30.52	(0.20)	30.32
Profit for the year	-	-	27.36	-	27.36
Business reorganisation*	-		(64.90)		(64.90)
Total comprehensive income for the year	-	78.09	(7.02)	(0.20)	(7.22)
Shares issued during the year at par value	90,580,000	67.39	-	-	-
Balance as at 31 March 2021	193,942,191	145.48	(7.02)	(0.20)	(7.22)

* other reserve created on restructuring transaction in past years

(Amount in INR)

	Equity share capital		Other equity		Total other equity
	Number of shares	Share capital	Retained earnings	Other reserves	
Balance as at 1 April 2020	103,362,191	7,868.68	3,074.94	(20.15)	3,054.79
Profit for the year	-	-	2,756.98	-	2,756.98
Business reorganisation*	-	-	(6,539.26)		
Total comprehensive income for the year	-	7,868.68	(707.34)	(20.15)	(727.49)
Shares issued during the year at par value	90,580,000	6,790.29	-		-
Balance as at 31 March 2021	193,942,191	14,658.97	(707.34)	(20.15)	(727.49)

*The Company has investment in one of its wholly owned subsidiary HCL Great Britain Limited ("HCL GB"), further HCL GB has investment in its subsidiaries viz. HCL Belguim NV(merged with HCL Technologies Belgium BVBA) , HCL Netherland (BV) (merged with HCL Technologies BV),HCL Sweden AB (merged with HCL Technologies Sweden AB) and HCL GmbH ("HCL GB along with Its subsidiaries collectively referred as "HCL GB Group"). The value of initial investment made by HCLT UK in HCL GB was derived on account of business held by HCL GB and its subsidiaries together.

During the year ended 31 March 2021, as a part of business re-organization, the business (Customer Contracts) of HCL GB was novated to HCL UK at no consideration and the subsidiaries of HCL GB were acquired by the company at Book Value. The intent of this business re-organization is to consolidate the business under the company. All the above entities are under the Common control of the company and common ultimate parent HCL Technologies Limited, India. The said re-organization is not dis-advantageous to the shareholder and therefore the difference between the value of initial investment by the company and the current fair value of Investment has been considered as contribution and has been accounted through retained earnings

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

Rakesh Dewan Digitally signed by Rakesh Dewan Date: 2021.08.04 23:02:53 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
Date : 4 August 2021

For and on behalf of the Board of Directors
of HCL Technologies UK Limited

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Shiv Kumar Walia
Director

Berkshire, UK
Date : 4 August 2021

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Rahul Singh
Director

London, UK
Date : 4 August 2021

HCL Technologies UK Limited
Special Purpose Statement of Cash flows for the year ended 31 March 2021
(All amounts are in millions , except stated otherwise)

		Year ended 31 March 2021 (GBP)	Year ended 31 March 2021 (₹)
A. Cash flows from operating activities			
Profit before tax		34.20	3,446.21
Adjustment for:			
Interest income		(0.35)	(58.45)
Interest expenses		1.46	147.12
Dividends from related parties		(14.20)	(1,430.87)
Depreciation and amortization expense		12.05	1,214.22
Other non cash charges		0.63	55.42
Loss on sale of property, plant & equipment		0.12	12.09
Provision for doubtful debts		0.68	68.52
Operating profit before working capital changes		**34.59**	**3,454.26**
Net changes in			
Trade receivables		56.19	5,662.35
Inventories		(0.08)	(8.44)
Other financial assets and other assets		13.85	1,396.04
Trade payables		(52.76)	(5,316.00)
Provisions, other financial liabilities and other liabilities		11.55	1,164.15
Cash generated from operations		**63.34**	**6,352.36**
Direct taxes paid		(3.41)	(344.10)
Net cash flow from operating activities	**(A)**	**59.93**	**6,008.26**
B. Cash flow from investing activities			
Purchase of property, plant and equipment and intangibles		(6.55)	(660.14)
Proceeds from sale of property, plant and equipment		1.47	148.47
Payments for business purchase (refer note 2.30)		(49.71)	(5,008.63)
Investment in the subsidiaries		(8.02)	(808.29)
Investment in equity instruments		(0.29)	(28.85)
Loan given to related party		(46.04)	(4,639.34)
Net cash used in investing activities	**(B)**	**(109.14)**	**(10,996.78)**
C. Cash flows from financing activities			
Repayment of long term borrowings		(42.00)	(4,232.15)
Interest paid		(1.42)	(142.83)
Dividends from related parties		14.20	1,430.87
Issue of equity shares		67.39	6,790.30
Payment of lease liabilities including interest		(3.09)	(310.88)
Proceeds from short term borrowings from related parties		30.55	3,078.39
Repayment of short term borrowings from related parties		(25.04)	(2,523.17)
Net cash flow from financing activities	**(C)**	**40.59**	**4,090.53**
Net increase in cash and cash equivalents (A+B+C)		(8.62)	(897.99)
Cash and cash equivalents at the beginning of the year		16.91	1,733.33
Cash and cash equivalents at the end of the year as per note 2.9		**8.29**	**835.35**
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: 2021.08.04 23:03:22 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
Date : 4 August 2021

For and on behalf of the Board of Directors of HCL Technologies UK Limited

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Shiv Kumar Walia
Director

Berkshire, UK
Date : 4 August 2021

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Rahul Singh
Director

London, UK
Date : 4 August 2021

ORGANIZATION AND NATURE OF OPERATIONS

HCL Technologies UK Limited is a company incorporated in England. The registered office is Axon Centre, Church Road, Egham, Surrey, TW20 9QB United Kingdom. The Company's principal activities are to provide 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 IT and business services, engineering and R&D services and services related to products and platforms.

The special purpose financial statements for the year ended 31 March, 2021 were approved and authorized for issue by the Board of Directors on 4 August ,2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These financial statements have been prepared on the request of HCL Technologies Limited, being the Ultimate Holding Company, for their limited use and are accordingly Special Purpose Financial Statements ('financial statements') .

These financial statements have been prepared in accordance with the recognition and measurement principles laid down in the 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 certain presentation requirements of Schedule III (Division II) to the Companies Act, 2013, as considered relevant to these financial statements .

As the Company is not domiciled in India and hence not registered under Companies Act 2013, these financial statements do not include all the notes and disclosures (mainly in respect of Financial instruments, Segment and Taxes) and also do not include the previous year comparatives as per Schedule III (Division II) to the Companies Act, 2013 and Ind AS.

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.

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 accounting policies adopted in the preparation of these financial statements are consistent with those of the previous year.

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 sterling pound (GBP). The translation from GBP to ₹ is included solely for the convenience of readers in India and has been performed using rate of GBP 1 = ₹ 100.7655, 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, GBP 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 and other comprehensive income (OCI) 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 consolidated financial statements in the year in which the changes are made.

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

i. Accounting for costs expected to be incurred to complete performance under fixed price projects and determination of stand-alone selling prices for each distinct performance obligation in respect of proprietary software products, refer note 1(f)
ii. Allowance for uncollectible accounts receivables, refer note 1(o)(i)
iii. Fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed, measured on a provisional basis in case of business combination, refer note 1(c)
iv. Recognition of income and deferred taxes, refer note 1(g) and note 2.24
v. Useful lives of property, plant and equipment, refer note 1(h)
vi. Lives of intangible assets, refer note 1(i)
vii. Key assumptions used for impairment of goodwill, refer note 1(l)
viii. Identification of leases and measurement of lease liabilities and right of use assets, refer note 1(q)
ix. Provisions and contingent liabilities, refer note 1(m)

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, unbilled receivables, goodwill, intangible assets, other assets, impact on revenues and costs, impact on leases 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) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is the aggregate of the consideration transferred measured at fair value at the acquisition date. Acquisition related costs are expensed as incurred.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as financial liability is measured at fair value with changes in fair value recognized in the statement of profit and loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is recognized as capital reserve after reassessing the fair values of the net assets.

(d) Foreign currency transactions

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.

(e) 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.

The Company holds certain equity securities, which must be measured using the guidance for fair value hierarchy and related valuation methodologies. The guidance specifies a hierarchy of valuation techniques based on whether the inputs to each measurement are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's assumptions about current market conditions. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The prescribed fair value hierarchy and related valuation methodologies are as follows:

Level 1 - Quoted inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.
Level 2 - Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations, in which all significant inputs are directly or indirectly observable in active markets.
Level 3 - Valuations derived from valuation techniques, in which one or more significant inputs are unobservable inputs which are supported by little or no market activity.

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.

(f) 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.

Fixed Price contracts

Revenue related to fixed price contracts where performance obligations and control are satisfied over a period of time like technology integration, complex network building contracts, System implementations and Application development are recognized based on progress towards completion of the performance obligation using a cost-to-cost measure of progress (i.e., percentage-of-completion (POC) method of accounting). Revenue is recognized based on the costs incurred to date as a percentage of the total estimated costs to fulfill the contract. Any revision in cost to complete would result in increase or decrease in revenue and such changes are recorded in the period in which they are identified. Provisions for estimated losses, if any, on contracts-in-progress are recorded in the period in which such losses become probable based on the current contract estimates. Contract losses are determined to be the amount by which the estimated incremental cost to complete exceeds the estimated future revenues that will be generated by the contract and are included in cost of revenues and recorded in other accrued liabilities.

Revenue related to other fixed price contracts providing maintenance and support services, are recognized based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognized as the service is performed based on the cost to cost method described above.

In arrangements involving sharing of customer revenues, revenue is recognized when the right to receive is established.

Revenue from product sales are shown net of sales tax and applicable discounts and allowances. Revenue related to product with installation services that are critical to the product is recognized when installation of product at customer site is completed and accepted by the customer. If the revenue for a delivered item is not recognized for non-receipt of acceptance from the customer, the cost of the delivered item continues to be in inventory.

Proprietary Software products

Revenue from distinct proprietary perpetual license software is recognized at a point in time at the inception of the arrangement when control transfers to the client. Revenue from proprietary term license software is recognized at a point in time for the committed term of the contract. In case of renewals of proprietary term licenses with existing customers, revenue from term license is recognized at a point in time when the renewal is agreed on signing of contracts. Revenue from support and subscription (S&S) is recognized over the contract term on a straight-line basis as the Company is providing a service of standing ready to provide support, when-and-if needed, and is providing unspecified software upgrades on a when-and-if available basis over the contract term. In case software are bundled with one year of support and subscription either for perpetual or term based license, such support and subscription contracts are generally priced as a percentage of the net fees paid by the customer to purchase the license and are generally recognized as revenues ratably over the contractual period that the support services are provided. Revenue from these proprietary software products is classified under sale of services.

Multiple performance obligation

When a sales arrangement contains multiple performance, such as services, hardware and Licensed IPs (software) or combinations of each of them revenue for each element is based on a five step approach as defined above. To the extent a contract includes multiple promised deliverables, judgment is applied to determine whether promised deliverables are capable of being distinct and are distinct in the context of the contract. If these criteria are not met, the promised deliverables are accounted for as a combined performance obligation. For arrangements with multiple distinct performance obligations or series of distinct performance obligations, consideration is allocated among the performance obligations based on their relative standalone selling price. Standalone selling price is the price at which company would sell a promised good or service separately to the customer. When not directly observable, we typically estimate standalone selling price by using the expected cost plus a margin approach. We typically establish a standalone selling price range for our deliverables, which is reassessed on a periodic basis or when facts and circumstances change. If the arrangement contains obligations related to License of Intellectual property (Software) or Lease deliverable, the arrangement consideration allocated to the Software deliverables, lease deliverable as a company is then allocated to each software obligation and lease deliverable.

Revenue recognition for delivered elements is limited to the amount that is not contingent on the future delivery of products or services, future performance obligations or subject to customer-specified return or refund privileges.

Revenue from certain activities in transition services in outsourcing arrangements are not capable of being distinct or represent separate performance obligation. Revenues relating to such transition activities are classified as Contract liabilities and subsequently recognized over the period of the arrangement. Direct and incremental costs in relation to such transition activities which are expected to be recoverable under the contract are considered as contract fulfilment costs classified as Deferred contract cost and recognized over the period of arrangement. Certain upfront non-recurring incremental contract acquisition costs incurred in the initial phases of outsourcing contracts are deferred and recorded as Deferred contract cost and amortized, usually on a straight line basis, over the term of the contract unless revenues are earned and obligations are fulfilled in a different pattern. The undiscounted future cash flows from the arrangement are periodically estimated and compared with the unamortized costs. If the unamortized costs exceed the undiscounted cash flow, a loss is recognized.

In instances when revenue is derived from sales of third-party vendor services, material or licenses, revenue is recorded on a gross basis when the company is a principal to the transaction and net of costs when the company is acting as an agent between the customer and the vendor. Several factors are considered to determine whether the company is a principal or an agent, most notably being company control the goods or service before it is transferred to customer, latitude in deciding the price being charged to customer. Revenue is recognized net of discounts and allowances, value-added and service taxes, and includes reimbursement of out-of-pocket expenses, with the corresponding out-of-pocket expenses included in cost of revenues.

Volume discounts, or any other form of variable consideration is estimated using either the sum of probability weighted amounts in a range of possible consideration amounts (expected value), or the single most likely amount in a range of possible consideration amounts (most likely amount), depending on which method better predicts the amount of consideration realizable. Transaction price includes variable consideration only to the extent it is probable that a significant reversal of revenues recognized will not occur when the uncertainty associated with the variable consideration is resolved. Our estimates of variable consideration and determination of whether to include estimated amounts in the transaction price may involve judgment and are based largely on an assessment of our anticipated performance and all information that is reasonably available to us.

Revenue recognized but not billed to customers is classified either as contract assets or unbilled receivable in our statements of financial position, contract assets primarily relate to unbilled amounts on those contracts utilizing the cost to cost method of revenue recognition. Unbilled receivables represent contracts where right to consideration is unconditional (i.e. only the passage of time is required before the payment is due).

Revenue from sales-type leases is recognized when risk of loss has been transferred to the client and there are no unfulfilled obligations that affect the final acceptance of the arrangement by the client.

Interest attributable to sales-type leases and direct financing leases included therein is recognized on an accrual basis using the effective interest method and is recognized as other income.

(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 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.

(h) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. The Company identifies and determines separate useful lives for each major component of the property, plant and equipment, if they have a useful life that is materially different from that of the asset as a whole.

Expenses on existing property, plant and equipment, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

Gains or losses arising from derecognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Property, plant and equipment under construction and cost of assets not ready for use at the year-end are disclosed as capital work- in- progress.

The management's estimates of the useful lives of various assets for computing depreciation are as follows:

Asset description	Asset life (in years)
Plant and equipment (including air conditioners, electrical installations)	10
Office equipment	5-7
Computers and networking equipment	4-5
Furniture and fixtures	7

(i) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is measured at their fair value at the date of acquisition. Subsequently, following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The intangible assets are amortized over the estimated useful life of the assets as mentioned below:

Asset description	Asset life (in years)
Software	3
Licensed IPR's	10
Customer relationship	4-5
Customer contracts	0.33
Technology	4-5

(j) 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 or sale 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 cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(k) Inventory

Stock in trade, stores and spares are valued at the lower of the cost or net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Cost of stock in trade procured for specific projects is assigned by identifying individual costs of each item. Cost of stock in trade, that are interchangeable and not specific to any project and cost of stores and spare parts are determined using the weighted average cost formula.

(l) Impairment of non-financial assets

Goodwill

Goodwill is tested annually on March 31, for impairment, or sooner whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Company's cash generating units (CGU) expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU, pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill recognized in the statement of profit and loss is not reversed in the subsequent period.

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the asset exceeds the estimated recoverable amount of the asset.

(m) 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.

(n) Retirement and other employee benefits

i. Compensated absences: The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The employees can carry forward up to the specified portion of the unutilized accumulated compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The expected cost of accumulating compensated absences is determined by actuarial valuation (using the projected unit credit method) based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the balance sheet date. The expense on non-accumulating compensated absences is recognized in the statement of profit and loss in the period in which the absences occur.

ii. Defined contribution pension plan: The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

    The contributions are recognized as an expense in the Income statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

(o) 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.

Equity investments in subsidiaries

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

Other Equity investments

Equity investments other than in subsidiaries are initially measured at fair value and are subsequently re-measured with all changes recognized in the statement of profit and loss. In limited circumstances, investments, for which sufficient, more recent information to measure fair value is not available cost represents the best estimate of fair value within that range.

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.

Financial liabilities at fair value through profit or loss
Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. Changes in fair value of such liability are recognized in the statement of profit or loss.

Financial liabilities at amortized cost
The Company's financial liabilities at amortized cost includes 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 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.

(p) 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.

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. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(q) Leases

A lease is a contract that contains right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

Company is lessee in case of office space & IT equipment. These leases are evaluated to determine whether it contains lease based on principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors as defined in Ind AS 116.

All leases with a term of more than 12 months are recognized as right-of-use assets along-with associated lease liabilities, in the balance sheet.

Right-of-use asset represents the Company's right to control the underlying assets under lease and the lease liability is the obligation to make the lease payments related to the underlying asset under lease. Right-of-use asset is measured initially based on the lease liability adjusted for any initial direct costs, prepaid rent, and lease incentives. Right-of-use asset is depreciated based on straight line method over the lease term or useful life of right-of-use asset, whichever is less. Subsequently, right-of-use asset is measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of lease liability.

The lease liability is measured at the lease commencement date and determined using the present value of the minimum lease payments not yet paid and the Company's incremental borrowing rate, which approximates the rate at which the Company would borrow. The Company has used a single discount rate for a portfolio of leases with reasonably similar characteristics. The lease payment comprises fixed payment less any lease incentives, variable lease payment that depends on an index or a rate, exercise price of a purchase option if the Company is reasonably certain to exercise the option and payment of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate the lease. Lease liability is subsequently measured by increase the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made and remeasuring the carrying amount to reflect any reassessment or modification, if any.

The Company has elected to not recognize leases with a lease term of 12 months or less in the balance sheet, including those acquired in a business combination, and lease costs for those short-term leases are recognized on a straight-line basis over the lease term in the statement of profit and loss. For all asset classes, the Company has elected the lessee practical expedient to combine lease and non-lease components and account for the combined unit as a single lease component in case there is no separate payment defined under the contract.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the year in which they are earned or contingency is resolved.

Leases in which the Company transfers substantially all the risk and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the present value of lease receivable. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance leases. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal cost, brokerage cost etc. are recognized immediately in the statement of profit and loss.

When arrangements include multiple performance obligations, the Company allocates the consideration in the contract between the lease components and the non-lease components on a relative standalone selling price basis.

(r) 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.

(s) Acquisition of select IBM software products

On 7 December 2018, the ultimate holding Company had signed a definitive agreement to acquire business relating to select IBM software products.

The ultimate holding Company has acquired these products for security, marketing, commerce, and digital solutions along with certain assumed liabilities and in scope employees. With this the Company gets 100% control on the assets being acquired and has also taken full ownership of the research and development, sales, marketing, delivery and support for these products. Through this acquisition, the Company intends to enhance its products and platforms offering to customers across a wide range of industries and markets.

Acquisition has been consummated effective 30 June 2019.

As part of this deal, the Company has to pay GBP 8.37, and out of which GBP 4.21 is paid and balance is payable after one year as per the agreement. This payable has been fair valued at GBP 4.16.

The net assets acquired have been accounted for at fair value and are as follows:

	Amount
Customer relationship	4.10
Goodwill	4.22
Deferred tax	(0.78)

HCL Technologies UK Limited

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

(All amounts are in millions , except stated otherwise)

2.1 Property, plant and equipment

The changes in the carrying value for the year ended 31 March 2021 Amount in GBP

	Plant and equipment	Building	Office Equipment	Computers and networking equipment	Furniture and fixtures	Total
Gross block as at 1 April 2020	**5.90**	**-**	**0.21**	**16.47**	**2.60**	**25.18**
Additions	-	-	0.05	3.17	0.01	**3.23**
Acquisitions through business combinations (refer note 2.30)	0.10	0.18	0.57	0.16	0.21	**1.22**
Disposals	0.11	-	0.17	5.43	0.40	**6.11**
Gross block as at 31 March 2021	**5.89**	**0.18**	**0.66**	**14.37**	**2.42**	**23.52**
Accumulated depreciation as at 1 April 2020	**1.06**	**-**	**0.03**	**8.67**	**2.52**	**12.28**
Charge for the year	0.60	0.10	0.19	3.16	0.09	**4.14**
Deduction/other adjustments	0.06	-	0.13	3.91	0.41	**4.51**
Accumulated depreciation as at 31 March 2021	**1.60**	**0.10**	**0.09**	**7.92**	**2.20**	**11.91**
Net block as at 31 March 2021	**4.29**	**0.08**	**0.57**	**6.45**	**0.22**	**11.61**

The changes in the carrying value for the year ended 31 March 2021 Amount in INR

	Plant and equipment	Building	Office Equipment	Computers and networking equipment	Furniture and fixtures	Total
Gross block as at 1 April 2020	**594.81**	**-**	**21.06**	**1,659.81**	**262.42**	**2,538.10**
Additions	-	-	4.87	319.18	1.12	**325.17**
Acquisitions through business combinations (refer note 2.30)	9.91	17.84	57.78	15.72	21.19	**123.44**
Disposals	11.49	-	17.37	547.05	40.37	**616.28**
Gross block as at 31 March 2021	**593.23**	**17.84**	**66.34**	**1,447.66**	**244.36**	**2,370.43**
Accumulated depreciation as at 1 April 2020	**106.49**	**-**	**3.22**	**873.54**	**253.73**	**1,236.98**
Charge for the year	60.80	10.54	19.05	318.80	9.54	**418.73**
Deduction/other adjustments	5.71	-	13.56	393.57	41.87	**454.71**
Accumulated depreciation as at 31 March 2021	**161.58**	**10.54**	**8.71**	**798.77**	**221.40**	**1,201.00**
Net block as at 31 March 2021	**431.65**	**7.30**	**57.63**	**648.89**	**22.96**	**1,169.43**

2.2 Goodwill

The following table presents the changes in goodwill based on CGUs for the year ended 31 March 2021.

	Total (GBP)	Total (INR)
Opening balance as at 1 April 2020	**5.24**	**528.11**
Acquisitions through business combination (refer note 2.30)	0.82	82.40
Addition: created on account of business purchase (refer note 2.30)	12.32	1,241.43
Closing balance as at 31 March 2021	**18.38**	**1,851.94**

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating units (CGU), which benefit from the synergies of the acquisition.

Goodwill is tested annually on March 31, for impairment, or sonner, where ever there is an indication that goodwill may be impaired. Impairment is recognised, when the carrying amount of cash generating units (CGU) including goodwill, exceeds the estimated recoverable amount of CGU. The estimated value-in-use of this CGU is based on the future cash flows are forecast for 5 years & then on perpetuity on the basis of certain assumptions which includes revenue growth, earnings before interest and taxes, taxes, capital outflow and working capital requirements. The assumptions are taken on the basis of past trends and management estimates and judgement. Future cash flows are discounted with "Weighted Average Cost of Capital". The key assumptions are as

	As at
	31 March 2021
Growth rate (%)	5%
Terminal growth rate (%)	2%
Pre tax discount rate (%)	9.73

As at 31 March 2021 the estimated recoverable amount of CGU exceeded its carrying amount and accordingly, no impairment was recognized.An analysis of the sensitivity of the computation to a change in key assumptions based on reasonable probability did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

HCL Technologies UK Limited

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

(All amounts are in millions , except stated otherwise)

2.3 Intangible assets

The changes in the carrying value for the year ended 31 March 2021 Amount in GBP

	Software	Licensed IPRs	Customer relationships	Customer contract	Technology	Total
Gross block as at 1 April 2020	**4.50**	**36.57**	**4.54**	**-**	**2.09**	**47.70**
Additions	0.69	-	-	-	-	0.69
Acquisitions through business combinations (refer note 2.30)	-	-	-	0.28	0.10	0.38
Disposals	3.20	-	-	-	-	3.20
Gross block as at 31 March 2021	**1.99**	**36.57**	**4.54**	**0.28**	**2.19**	**45.57**
Accumulated amortization as at 1 April 2020	**4.00**	**9.15**	**0.67**	**-**	**1.77**	15.59
Charge for the year	0.52	3.65	0.77	0.28	0.35	5.57
Disposals	3.20	-	-	-	-	3.20
Accumulated amortization as at 31 March 2021	**1.32**	**12.80**	**1.44**	**0.28**	**2.12**	**17.96**
Net block as at 31 March 2021	**0.67**	**23.77**	**3.10**	**-**	**0.07**	**27.61**

The changes in the carrying value for the year ended 31 March 2021 Amount in INR

	Software	Licensed IPRs	Customer relationships	Customer contract	Technology	Total
Gross block as at 1 April 2020	**453.38**	**3,684.51**	**457.31**	**-**	**210.52**	**4,806.72**
Additions	69.41	-	-	-	-	69.41
Acquisitions through business combinations (refer note 2.30)	-	-	-	28.01	10.27	38.29
Disposal	322.00	-	-	-	-	322.00
Gross block as at 31 March 2021	**200.79**	**3,684.51**	**457.31**	**28.01**	**220.79**	**4,592.42**
Accumulated amortization as at 1 April 2020	**402.72**	**921.97**	**67.15**	**-**	**177.97**	**1,570.82**
Charge for the year	52.20	367.54	78.00	28.01	35.32	561.07
Disposals	322.00	-	-	-	-	322.00
Accumulated amortization as at 31 March 2021	**132.92**	**1,289.51**	**145.15**	**28.01**	**213.29**	**1,809.89**
Net block as at 31 March 2021	**67.87**	**2,395.00**	**312.16**	**-**	**7.50**	**2,782.53**

HCL Technologies UK Limited
Notes to special purpose financial statements for the year ended 31 March 2021
(All amounts are in millions , except stated otherwise)

2.4 Investments

	As at	
	31 March 2021	31 March 2021
	(GBP)	(₹)
Financial assets		
Non - current		
Unquoted investments		
Equity investments in subsidiaries companies carried at cost (refer detail below)	98.11	9,885.95
Carried at fair value through profit and loss		
Other equity investments (Gross)	7.17	722.49
Less: Provisions	(3.85)	(387.95)
Other equity investments (net)	3.32	334.54
	101.43	**10,220.49**

The company has equity investments in following undertakings:

Name	Country of incorporation	Class of shares	Holding	Amount (Absolute GBP)	Amount (₹)
HCL Technologies Germany Gmbh	Germany	Ordinary	100.00%	84,348.00	8.50
HCL Technologies BV	Netherlands	Ordinary	100.00%	82,612.00	8.32
HCL (Ireland) Information Systems Limited	Ireland	Ordinary	100.00%	82,612.00	8.32
HCL Belgium BVBA	Belgium	Ordinary	100.00%	3,039,527.16	306.28
HCL Technologies Sweden AB	Sweden	Ordinary	100.00%	37,418,631.15	3,770.51
HCL Technologies Finland Oy	Finland	Ordinary	100.00%	83,319.00	8.40
HCL Technologies S.A.	Venezuela	Ordinary	100.00%	35,954.10	3.62
HCL Technologies Italy S.P.A	Italy	Ordinary	100.00%	4,622,757.41	465.81
HCL Istanbul Bilisim Teknolojileri Limited Sirketi	Turkey	Ordinary	100.00%	61,740.58	6.22
HCL Technologies Greece Single Member P.C	Greece	Ordinary	100.00%	337,989.76	34.06
HCL Technologies Columbia S.A.S	Colombia	Ordinary	100.00%	2,379,866.21	239.81
HCL Technologies Luxembourg S.a r.l	Luxembourg	Ordinary	100.00%	282,770.50	28.49
HCL Investment UK Limited.	UK	Ordinary	7.51%	24,622,000.00	2,481.05
HCL Technologies Czech Republic s.r.o.	Czech Republic	Ordinary	100.00%	584,391.53	58.89
Point To Point Limited	UK	Ordinary	100.00%	1,103,978.56	111.24
Point To Point Products Limited	UK	Ordinary	100.00%	889,242.00	89.60
HCL Technologies Bulgaria EOOD	Bulgaria	Ordinary	100.00%	74,477.18	7.50
HCL Japan Limited	Japan	Ordinary	100.00%	1,231,936.08	124.14
HCL Technologies Egypt Limited	Egypt	Ordinary	100.00%	378,442.26	38.13
HCL Technologies Beijing Co., Ltd	China	Ordinary	100.00%	669,302.40	67.44
HCL Technologies (Thailand) Ltd.	Thailand	Ordinary	100.00%	367,497.02	37.03
HCL Technologies Lithuania UAB	Lithuania	Ordinary	100.00%	315,674.11	31.81
HCL Technologies (Taiwan) Ltd.	Taiwan	Ordinary	100.00%	277,300.00	27.94
Datawave (An HCL Technologies Company) Limited	UK	Ordinary	100.00%	3,756,212.35	378.50
HCL Technologies Corporate Services Limited	UK	Ordinary	100.00%	1.00	-
HCL Great Britain Limited	UK	Ordinary	100.00%	7,665,934.72	772.46
HCL Technologies Azerbaijan Limited Liability Company	Azerbaizan	Ordinary	99.90%	795.64	0.08
HCL Technologies Estonia OU	Estonia	Ordinary	100.00%	298,576.63	30.09
HCL GmbH	Germany	Ordinary	100.00%	2,597,760.90	261.76
HCL Technologies Angola	Angola	Ordinary	100.00%	138.00	0.01
HCL TECHNOLOGIES S.A.C	Perut	Ordinary	100.00%	101.00	0.01
Celeritifintech Services Limited	UK	Ordinary	100.00%	1,715,057.00	172.82
Celeritifintech Limited	UK	Ordinary	100.00%	2,930,592.51	295.30
HCL Technologies (Vietnam) Company Limited	Vietnam	Ordinary	100.00%	79,180.00	7.98
HCL Technologies Vietnam Company Limited	Vietnam	Ordinary	100.00%	38,010.00	3.83
				98,108,728.76	**9,885.95**

HCL Technologies UK Limited
Notes to special purpose financial statements for the year ended 31 March 2021
(All amounts are in millions , except stated otherwise)

2.5 Other financial assets

	As at	
	31 March 2021	31 March 2021
	(GBP)	(₹)
Non - current		
Carried at amortized cost		
Finance lease receivables (refer note 2.26)	3.42	344.62
Unbilled receivables	18.64	1,878.27
Security deposits	0.06	6.05
	22.12	2,228.94
Current		
Carried at amortized cost		
Security deposits	0.19	19.15
Interest receivable - related parties (refer note 2.29)	0.22	22.17
Finance lease receivables (refer note 2.26)	4.58	461.51
Other receivables- related parties (refer note 2.29)	0.32	32.24
	5.31	535.07

2.6 Other non- current assets

	As at	
	31 March 2021	31 March 2021
	(GBP)	(₹)
Unsecured, considered good		
Others		
Prepaid expenses	0.94	94.72
Deferred contract cost	5.43	547.16
	6.37	**641.88**

HCL Technologies UK Limited
Notes to special purpose financial statements for the year ended 31 March 2021
(All amounts are in millions , except stated otherwise)

2.7 Inventories

	As at	
	31 March 2021	**31 March 2021**
	(GBP)	(₹)
Stock in trade	0.74	74.57
	0.74	74.57

2.8 Trade Receivables

	As at	
	31 March 2021	**31 March 2021**
	(GBP)	**(₹)**
Unsecured, considered good (refer note below)	120.41	12,133.58
Trade receivables - credit impaired	2.94	296.25
	123.35	**12,429.83**
Impairment allowance for bad and doubtful debts	(3.95)	(398.02)
	119.40	**12,031.81**

Note: Includes receivables from related parties amounting to GBP 24.63 ('₹ 2,481.55). Refer note 2.29.

2.9 Cash and cash equivalents

	As at	
	31 March 2021	**31 March 2021**
	(GBP)	**(₹)**
Balance with banks		
- in current accounts	8.29	835.35
	8.29	**835.35**

2.10 Loans

	As at	
	31 March 2021	**31 March 2021**
	(GBP)	**(₹)**
Current		
Carried at amortized cost		
Unsecured , considered good		
Short term loan- related party (refer note- 2.29)	46.04	4,639.24
	46.04	**4,639.24**

2.11 Other current assets

	As at	
	31 March 2021	**31 March 2021**
	(GBP)	**(₹)**
Unsecured , considered good		
Advances other than capital advances		
Advance to suppliers	0.53	53.41
Advances to employees	0.19	19.15
Others		
Deferred contract cost	3.38	340.59
Deferred contract cost - related parties (refer note 2.29)	11.99	1,208.18
Contract assets - related parties (refer note 2.29)	2.35	236.80
Contract assets	31.63	3,187.23
Prepaid expenses	8.00	806.12
Prepaid expenses- related parties (refer note 2.29)	0.15	15.11
Other receivables	2.07	208.57
	60.29	**6,075.16**

2.12 Share capital

	As at	
	31 March 2021	31 March 2021
	(GBP)	(₹)
Allotted, called up and fully paid		
193,942,191 ordinary shares of $1 each	145.48	14,658.97

Terms/ rights attached to equity shares

The Company has only one class of shares referred to as ordinary shares having a par value of $1 each. 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 2021
Number of shares at the beginning	103,362,191
Add: shares issued during the year	90,580,000
Number of shares at the end	**193,942,191**

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
Ordinary shares of $1 each		
HCL Bermuda Limited	193,942,191	100%

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 generated.

HCL Technologies UK Limited
Notes to special purpose financial statements for the year ended 31 March 2021
(All amounts are in millions , except stated otherwise)

2.13 Other financial liabilities

	As at	
	31 March 2021	31 March 2021
	(GBP)	(₹)
Non - current		
Carried at amortized cost		
Employee bonuses accrued	0.13	13.10
	0.13	13.10
Current		
Carried at amortized cost		
Interest accrued but not due on borrowings - related party (refer note 2.29)	0.07	7.05
Accrued salaries and benefits		
Employee bonuses accrued	15.11	1,522.57
Other employee costs	3.58	360.74
Others		
Liabilities for expenses	19.65	1,980.04
Liabilities for expenses - related parties (refer note 2.29)	39.34	3,964.11
Capital accounts payables	17.76	1,789.60
	95.51	9,624.11
	95.51	**9,624.11**

2.14 Other non-current liabilities

	As at	
	31 March 2021	31 March 2021
	(GBP)	(₹)
Contract liability	5.93	597.54
	5.93	**597.54**

2.15 Borrowings

	As at	
	31 March 2021	31 March 2021
	(GBP)	(₹)
Short term borrowings		
Unsecured		
Short term loan - related parties (refer note 1 below and note 2.29)	48.60	4,897.20
	48.60	**4,897.20**

Notes

1. The company has taken short term loan at interest rate ranging from 1.2% to 2.2%. which is repayable on demand.

HCL Technologies UK Limited
Notes to special purpose financial statements for the year ended 31 March 2021
(All amounts are in millions , except stated otherwise)

2.16 Trade payables

	As at	
	31 March 2021	31 March 2021
	(GBP)	(₹)
Trade payables	14.01	1,411.72
Trade payables - related parties (refer note 2.29)	85.08	8,573.13
	99.09	**9,984.85**

2.17 Other current liabilities

	As at	
	31 March 2021	31 March 2021
	(GBP)	(₹)
Contract liability	18.17	1,830.91
Advances received from customers	0.42	42.32
Others		
Withholding and other taxes payable	12.12	1,222.02
	30.71	**3,095.25**

2.18 Revenue from operations

	Year ended	
	31 March 2021	31 March 2021
	(GBP)	(₹)
Sale of services	581.75	58,620.33
Sale of hardware and software	11.69	1,177.95
	593.44	**59,798.28**

Note: Please refer note 2.29 for revenue from related parties.

HCL Technologies UK Limited
Notes to special purpose financial statements for the year ended 31 March 2021
(All amounts are in millions , except stated otherwise)

Disaggregate Revenue Information

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

	Year ended	
	31 March 2021	31 March 2021
	(GBP)	(₹)
Fixed Price	434.73	43,805.70
Time and material	158.71	15,992.58
	593.44	**59,798.28**

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

	Year ended	
	31 March 2021	31 March 2021
	(GBP)	(₹)
United Kingdom	461.90	46,543.56
Rest of World	131.54	13,254.72
	593.44	**59,798.28**

HCL Technologies UK Limited
Notes to special purpose financial statements for the year ended 31 March 2021
(All amounts are in millions , except stated otherwise)

2.19 Other income

	Year ended	
	31 March 2021	31 March 2021
	(GBP)	(₹)
Interest income		
- On bank balances	0.23	23.18
- On loan to related parties	0.35	35.27
Dividends from related parties	14.20	1,430.87
Exchange differences (net)	3.10	312.37
Other miscellaneous income	0.23	23.18
	18.11	**1,824.87**

2.20 Changes in inventories of traded goods

	Year ended	
	31 March 2021	31 March 2021
	(GBP)	(₹)
Opening stock	0.66	66.18
Less : Closing stock	0.74	74.57
	(0.08)	**(8.39)**

2.21 Employee benefits expense

	Year ended	
	31 March 2021	31 March 2021
	(GBP)	(₹)
Salaries, wages and bonus	163.93	16,518.49
Contribution to other employee funds	23.91	2,409.30
Staff welfare expenses	0.26	26.20
	188.10	**18,953.99**

2.22 Finance costs

	Year ended	
	31 March 2021	31 March 2021
	(GBP)	(₹)
Interest		
-on lease liabilities	0.39	39.30
-on loans from banks	0.68	68.52
-on loan from related party	0.35	35.27
-others	0.04	4.03
Fair value changes on liabilities carried at fair value through profit and loss	0.08	8.06
Bank charges	0.21	21.16
	1.75	**176.34**

HCL Technologies UK Limited
Notes to special purpose financial statements for the year ended 31 March 2021
(All amounts are in millions , except stated otherwise)

2.23 Other expenses

	Year ended	
	31 March 2021	31 March 2021
	(GBP)	(₹)
Rent	0.25	25.19
Communication costs	3.08	310.36
Travel and conveyance	2.83	285.17
Legal and professional charges	2.04	205.56
Software license fee	4.65	468.56
Provision for doubtful debts / bad debts written off	0.68	68.52
Unrealized loss on fair value changes on equity instruments	0.55	55.42
Business promotion	20.79	2,094.91
Miscellaneous expenses	14.07	1,417.77
	48.94	**4,931.46**

2.24 Tax expense

	Year ended	
	31 March 2021	31 March 2021
	(GBP)	(₹)
Income tax charged to statement of profit and loss		
Current tax	7.33	738.61
Deferred tax charge (credit)	(0.49)	(49.38)
	6.84	**689.23**

Components of deferred tax assets and liabilities

	As at	
	31 March 2021	31 March 2021
	(GBP)	(₹)
Deferred tax assets		
Capital allowances	0.23	23.64
Employee benefit	0.42	42.56
Others	0.12	12.32
Gross deferred tax assets (A)	0.77	78.52
Deferred tax liabilities		
Arising on account of business combination	0.55	55.24
Lease adjustment	0.02	2.12
Gross deferred tax liabilities (B)	0.57	57.36
Net deferred tax assets (A-B)	**0.20**	**21.16**

HCL Technologies UK Limited
Notes to special purpose financial statements for the year ended 31 March 2021
(All amounts are in millions , except stated otherwise)

2.25 Earnings Per Share

The computation of earnings per share is as follows:

	Year ended 31 March 2021	
	(GBP)	**(₹)**
Net profit as per statement of profit and loss for computation of EPS	27.36	2,756.98
Weighted average number of shares outstanding in calculating of Basic EPS	126,859,643	126,859,643
Weighted average number of shares outstanding in calculating of Diluted EPS	126,859,643	126,859,643
Nominal value of shares ($1 each)	0.73	0.73
Earnings per share		
- Basic	0.22	21.73
- Diluted	0.22	21.73

2.26 Leases

The Company's significant leasing arrangements are in respect of leases for office spaces and IT equipments.

The details of the right-of-use asset held by the Company is as follows:

	Buildings	Computers and networking equipment	Total
(GBP)			
Balance as at 1 April 2020	**2.58**	**1.45**	**4.03**
Additions	9.78	-	9.78
Depreciation charge for the year	2.06	0.57	2.63
Balance as at 31 March 2021	**10.30**	**0.88**	**11.18**
(`₹)			
Balance as at 1 April 2020	**259.58**	**145.84**	**405.42**
Additions	985.26	-	985.26
Depreciation charge for the year	206.82	57.30	264.12
Balance as at 31 March 2021	**1,038.02**	**88.54**	**1,126.56**

HCL Technologies UK Limited
Notes to special purpose financial statements for the year ended 31 March 2021
(All amounts are in millions , except stated otherwise)

The reconciliation of lease liabilities is as follows:

	Total	
	(GBP)	(₹)
Balance as at 1 April 2020	**4.77**	**480.97**
Additions	10.26	1,032.89
Amounts recognized in statement of profit and loss as interest expense	0.39	39.10
Payment of lease liabilities	3.09	310.88
Balance as at 31 March 2021	**12.33**	**1,242.08**

The lease rental expense relating to short-term leases recognized in the statement of profit and loss for the year amounted to GBP 0.25 (`'₹ 25.19).

The following table presents a maturity analysis of expected undiscounted cash flows for lease liabilities as on 31 March 2021:

	As at 31 March 2021	
	(GBP)	(₹)
Within one year	3.10	311.94
One to two years	2.03	204.22
Two to three years	1.71	172.80
Three to five years	3.32	334.11
Thereafter	5.74	578.89
Total lease payments	**15.90**	**1,601.96**
Imputed interest	3.57	359.88
Total lease liabilities	**12.33**	**1,242.08**

Certain lease agreements include options to terminate or extend the leases. The lease agreements do not contain any material residual value guarantees or material restrictive covenants.

(b) Company as a lessor

The Company has given IT equipments to its customers on a finance lease basis. The future lease receivables in respect of assets given on finance lease are as follows:

	Total minimum lease payments receivable	Interest included in minimum lease payments receivable	Present value of minimum lease payments receivable
GBP			
As at 31 March 2021			
Not later than one year	4.81	0.23	4.58
Later than one year and not later than 5 years	3.53	0.11	3.42
	8.34	0.34	8.00
(₹)			
As at 31 March 2021			
Not later than one year	484.93	23.42	461.51
Later than one year and not later than 5 years	355.60	10.98	344.62
	840.53	34.40	806.13

2.27 Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available and whose their results are reviewed regularly by the chief operating decision maker (CODM), for allocation of resources and assessing performance. The Company's ultimate parent company, HCL Technologies Limited's chief operating decision maker (CODM) reviews its results for allocation of resources and assessing performance by business segment comprising IT and Business Services, Engineering and R&D Services, and Products & Platforms segments. The ultimate Holding Company monitors the risk and returns of the Company's businesses on an entity level and evaluates the performance of the Company as one business segment which is overall a part of the reorganized entity level business segments. Hence there is only one reportable segment of the Company, as envisaged under Indian Accounting Standards -108 "Operating segments".

Revenue disaggregation as per geography has been included in note 2.18.

2.28 Commitments and contingent liabilities

The estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) as on 31 March 2021 is GBP 0.11 (₹ 10.69).

The Company is involved in various lawsuits, claims and proceedings that arise in the ordinary course of business, the outcome of which is inherently uncertain. Some of these matters include speculative and frivolous claims for substantial or indeterminate amounts of damages. The Company records a liability when it is both probable that a loss has been incurred and the amount can be reasonably estimated. Significant judgment is required to determine both probability and the estimated amount. The Company believes that the amount or estimable range of reasonably possible loss, will not, either individually or in the aggregate, have a material adverse effect on its business, financial position, results of the Company, or cash flows with respect to loss contingencies for legal and other contingencies as at 31 March 2021.

2.29 Related party transactions

a) Related parties where control exists

Holding company	**Ultimate holding company**
HCL Bermuda Limited	HCL Technologies Limited

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

Holding company	**Ultimate holding company**
HCL Bermuda Limited	HCL Technologies Limited

Subsidiaries

HCL Technologies Germany Gmbh	HCL Japan Ltd.
HCL Technologies BV	HCL Technologies Egypt Limited
HCL (Ireland) Information Systems Limited	HCL Technologies Beijing Co., Ltd
HCL Belgium BV	HCL Technologies (Thailand) Ltd.
HCL Technologies Sweden AB	HCL Technologies Lithuania UAB
HCL Technologies Finland OY	HCL Technologies (Taiwan) Ltd.
HCL Technologies S.A.	Datawave (An HCL Technologies Company)Limited
HCL Technologies Italy S.P.A	HCL Technologies Corporate Services Limited
HCL Istanbul Bilisim Teknolojileri Limited Sirketi	HCL Great Britain Limited
HCL Technologies Greece Single Member P.C	HCL Technologies Azerbaijan Ltd LiabilityCompany
HCL Technologies Columbia S.A.S	HCL Technologies Estonia OU
HCL Technologies Luxembourg S.a r.l	HCL GmbH
HCL Investment UK Limited.	HCL Technologies Angola
HCL Technologies Czech Republic s.r.o.	HCL TECHNOLOGIES S.A.C
Point To Point Limited	HCL Technologies (Vietnam) Company Limited
Point To Point Products Limited	HCL Technologies Vietnam Company Limited
HCL Technologies Bulgaria EOOD	

Fellow Subsidiaries

Statestreet HCL Services (India) Private Limited	Geometric SAS
Axon Solutions Limited	HCL Technologies Denmark ApS
HCL America Inc.	HCL Technologies Norway AS
HCL Argentina s.a.	Hcl Technologies Austria Gmbh
HCL (Brazil) Technologia da informacao EIRELI	HCL Guatemala, Sociedad Anonima
HCL Mexico S. de R.L.	C3i Europe Eood
HCL Technologies South Africa (Proprietary) Limited	HCL Technologies France SAS
HCL America Solutions Inc.	HCL Australia Services Pty. Limited
HCL Canada Inc. (Formely "HCL Axon Technologies Inc.")	HCL Singapore Pte. Limited
HCL Technologies (Proprietary) Ltd	HCL (NEWZEALAND) LIMITED
Powerteam LLC	HCL Saudi Arabia LLC
Actian Corporation (and including its subsidiaries)	HCL Technologies Middle East FZ-LLC
HCL TECHNOLOGIES TRINIDAD AND TOBAGO LIMITED	HCL Hong Kong SAR Limited
Filial Espanola De HCL Technologies S.L	Axon Solutions (Shanghai) Co. Limited
HCL Poland Sp.z.o.o	HCL Axon Tech.(Shanghai)Co.Ltd
HCL EAS Ltd	HCL Technologies Malaysia SDN.
Geometric Europe, GmbH	HCL Technologies Malaysia Sdn. Bhd.
HCL Hungary Kft	PT. HCL Technologies Indonesia Limited
HCL (Netherlands) BV	HCL Technologies Philippines Inc.
HCL Technologies Romania s.r.l.	HCL Technologies (Shanghai) Limited
HCL Ins.BPO Services Ltd	HCL Asia Pacific Pte Ltd
Axon Solutions Ltd	C3i Services &Technologies (Dalian) Co., Ltd
HCL Technologies Solution GmbH	HCL Latin America Holding LLC
HCL Technologies Chile SpA	HCLT Lanka Pvt Ltd

HCL Technologies UK Limited
Notes to special purpose financial statements for the year ended 31 March 2021
(All amounts are in millions , except stated otherwise)

	Transactions with related parties during the normal course of business											
	Revenue from operations	Outsourcing costs	Business promotion	Dividend income	Other income	Interest expense	Other expenses	Interest income	Proceeds from issue of shares	Proceeds from borrowings	Repayment of borrowings	Disbursement in respect of loan given
31 March 2021 (GBP)												
Ultimate holding company	15.88	116.28	0.15	-	-	-	0.25	-	-	-	-	-
Holding company	-	-	-	-	-	-	-	-	67.39	-	-	-
Subsidiaries	38.79	45.16	18.93	14.20	-	0.05	8.66	0.18	-	1.50	-	1.04
Fellow subsidiaries	30.98	64.68	0.00	-	0.23	0.30	-	0.17	-	29.05	25.04	45.00
	85.65	**226.12**	**19.08**	**14.20**	**0.23**	**0.35**	**8.91**	**0.35**	**67.39**	**30.55**	**25.04**	**46.04**
31 March 2021 ('₹)												
Ultimate holding company	1,600.46	11,717.29	14.88	-	-	-	24.75	-	-	-	-	-
Holding company	-	-	-	-	-	-	-	-	6,790.30	-	-	-
Subsidiaries	3,908.77	4,550.69	1,907.04	1,430.87	-	4.63	872.89	18.14	-	151.15	-	104.89
Fellow subsidiaries	3,122.05	6,517.79	0.24	-	23.18	30.64	-	17.33	-	2,927.24	2,523.17	4,534.45
	8,631.28	**22,785.77**	**1,922.16**	**1,430.87**	**23.18**	**35.27**	**897.64**	**35.47**	**6,790.30**	**3,078.39**	**2,523.17**	**4,639.34**

Outstanding balances		
	Trade payables, other financial liabilities and other liabilities	Trade receivables, other financial assets and other assets
Ultimate holding company	38.15	20.54
Subsidiaries	26.17	8.85
Fellow subsidiaries	108.77	56.31
	173.09	**85.70**
31 March 2021 ('₹)		
Ultimate holding company	3,844.20	2,069.72
Subsidiaries	2,637.03	891.81
Fellow subsidiaries	10,960.25	5,673.75
	17,441.48	**8,635.28**

Material related party transactions			
	Procceds from issue of shares	Revenue from operations	Outsourcing costs
31 March 2021 (GBP)			
Ultimate holding company			
HCL Technologies Limited	-	15.88	116.28
Holding company			
HCL Bermuda Limited	67.39	-	-
	67.39	**15.88**	**116.28**
31 March 2021 ('₹)			
Ultimate holding company			
HCL Technologies Limited	-	1,600.16	11,717.29
Holding company			
HCL Bermuda Limited	6,790.30	-	-
	6,790.30	**1,600.16**	**11,717.29**

HCL Technologies UK Limited
Notes to special purpose financial statements for the year ended 31 March 2021
(All amounts are in millions , except stated otherwise)

2.30 Business purchase of Axon Solutions Limited

On 1 April 2020, the company has entered into a business purchase agreement to purchase the trading business its fellow subsidiary, Axon Solutions Limited.

As per the business purchase agreement, the company purchased related assets and liabilities, other than cash and cash equivalent, certain intra group balances and other non- trading assets and liabilities of the entity for the fair value consideration.

The fair value of assets and liabilities purchased was GBP 49.70 against the book value of GBP 37.39. The total purchase consideration of GBP 49.70 has been allocated as follows:

	Amount	
	(GBP)	(₹)
Assets		
Goodwill	0.82	82.40
Other intangible assets	0.38	38.29
Property, plant and equipment	1.22	123.44
Trade receivables	45.75	4,610.02
Total Assets "A"	**48.17**	**4,854.15**
Liabilities		
Trade Payables	10.78	1,086.95
Total Liabilities "B"	**10.78**	**1,086.95**
Net Assets (A-B)	**37.39**	**3,767.20**
Purchase consideration	**49.71**	**5,008.63**
Goodwill	**12.32**	**1,241.43**

HCL Technologies UK Limited
Notes to special purpose financial statements for the year ended 31 March 2021
(All amounts are in millions , except stated otherwise)

2.31 Subsequent events

Business purchase of Point to Point Products Limited

From 1 April 2021, the company entered into an agreement with Point to Point Products Limited to purchase the said business and certain assets and liabilities of the entity for the consideration of GBP 0.46. The assets and liabilities sold as per business sales agreements is here as under

	Amount	
	(GBP)	(₹)
Assets		
Trade receivables	0.42	42.66
Other current assets	0.21	20.80
Other non- current assets	0.08	7.65
Total Assets "A"	**0.71**	**71.11**
Liabilities		
Trade payables	(0.12)	(11.60)
Contract liability	(0.11)	(10.82)
Liabilities for expenses	(0.02)	(2.30)
Total Liabilities "B"	**(0.25)**	**(24.72)**
Net Assets (A-B)	**0.46**	**46.39**

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: 2021.08.04 23:05:14 +05'30'

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
Date: 4 August 2021

For and on behalf of the Board of Directors
of HCL Technologies UK Limited

SHIV KUMAR WALIA
Digitally signed by SHIV KUMAR WALIA
Date: 2021.08.04 22:39:24 +05'30'

Shiv Kumar Walia
Director

Berkshire, UK
Date: 4 August 2021

RAHUL SINGH
Digitally signed by RAHUL SINGH
Date: 2021.08.04 22:39:45 +05'30'

Rahul Singh
Director

London, UK
Date: 4 August 2021