HCL Technologies Trinidad and Tobago Limited

Financial Statements

For the year ended 31 December 2022

Building No. 10, 12th Floor, Tower-C,
DLF Cyber City, Phase-II,
Gurugram – 122 002, India

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Independent Auditor's Report

To the Board of Directors of HCL Technologies Trinidad and Tobago Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of HCL Technologies Trinidad and Tobago Limited (the "Company"), which comprise the Balance Sheet as at 31 December 2022, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (collectively referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ('the Act') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ('the Act') and presentation requirements of Schedule III (Division II) to the Companies Act, 2013, as applicable, to the financial statements. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.

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

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

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

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

Other Matter-Restriction on Use

These financial statements are prepared for the use of the Company and the ultimate holding Company, HCL Technologies Limited, to comply with the requirements of the Act. These financial statements are not the statutory financial statements of the Company. As a result, these financial statements may not be suitable for any other purpose. Our report must not be copied, disclosed, quoted, or referred to, in correspondence or discussion, in whole or in part to anyone other than the purpose for which it has been issued without our prior written consent.

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

Prince Sharma
Digitally signed by Prince Sharma
Date: 2023.04.06 22:20:59 +05'30'

Prince Sharma
Partner
Membership No.: 521307
ICAI UDIN: 23521307BGYFTY7970

Place: Gurugram, India
Date: 06 April 2023

HCL Technologies Trinidad and Tobago Limited
Balance Sheet as at 31 December 2022
(All amounts in thousands except share data and as stated otherwise)

		Note No.	As at 31 December 2022 (TTD)	As at 31 December 2021 (TTD)
I.	**ASSETS**			
	(1) Non-current assets			
	(a) Deferred tax assets (net)	**2.10**	-	75
	(2) Current assets			
	(a) Financial assets			
	(i) Trade receivables			
	Billed	**2.1**	4,748	871
	Unbilled	**2.1**	1	222
	(ii) Cash and cash equivalents	**2.2**	3,914	4,902
	(b) Income tax asset	**2.11**	13	-
	TOTAL ASSETS		**8,676**	**6,070**
II.	**EQUITY**			
	(a) Equity share capital	**2.3**	230	230
	(b) Other equity		600	227
	TOTAL EQUITY		**830**	**457**
III.	**LIABILITIES**			
	(1) Non Current liabilities			
	(a) Deferred tax liabilities (net)	**2.10**	0	-
	(2) Current liabilities			
	(a) Financial liabilities			
	(i) Trade payables			
	Billed			
	1. Dues of creditors other than micro enterprises and small enterprises	**2.4**	257	523
	Unbilled and accruals	**2.4**	2,662	251
	(ii) Others	**2.5**	4,769	4,779
	(b) Current tax liabilities		158	60
	TOTAL LIABILITIES		**7,846**	**5,613**
	TOTAL EQUITY AND LIABILITIES		**8,676**	**6,070**
	Summary of significant accounting policies	**1**		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

prince sharma
prince sharma (Apr 6, 2023 20:11 GMT+5.5)
Prince Sharma
Partner
Membership no.: 521307

Gurugram, India
Date: 06 April 2023

For and on behalf of the Board of Directors
of HCL Technologies Trinidad and Tobago Limited

Shiv Walia
Director

Sridharan Sundaram
Director

'Date: 06 April 2023

HCL Technologies Trinidad and Tobago Limited
Statement of Profit and Loss for the year ended 31 December 2022
(All amounts in thousands except share data and as stated otherwise)

		Note No.	Year ended 31 December 2022 (TTD)	Year ended 31 December 2021 (TTD)
I	**Revenue**			
	Revenue from operations	**2.6**	5,910	3,882
	Other income	**2.7**	3	-
	Total income		**5,913**	**3,882**
II	**Expenses**			
	Finance costs	**2.8**	4	1
	Other expenses	**2.9**	168	253
	Outsourcing cost		5,207	3,423
	Total expenses		**5,379**	**3,677**
III	**Profit before tax**		**534**	**205**
IV	**Tax expense**	**2.10**		
	Current tax		85	144
	Deferred Tax Charge/ (Credit)		76	(77)
	Total tax expense		**161**	**67**
V	**Profit for the year**		**373**	**138**
VI	**Other Comprehensive Income**		-	-
VII	**Total Comprehensive Income for the year**		**373**	**138**
	Earning per equity share of TTD par value			
	Basic and diluted	**2.13**	11.14	24.69
	Summary of significant accounting policies	**1**		

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Shiv Walia
Director

Sridharan Sundaram
Director

Date: 06 April 2023

HCL Technologies Trinidad and Tobago Limited
Statement of Changes in Equity for the year ended 31 December 2022
(All amounts in thousands except share data and as stated otherwise)

Amount in TTD

	Equity share capital		Other Equity
	No. of Shares	Share Capital	
Balance as of 01 Janaury 2021	-	-	89
Profit for the year	-	-	138
Other comprehensive income / (loss)	-	-	-
Total comprehensive income for the year	-	-	138
Issue of equity shares during the year	33,500	230	-
Balance as of 31 December 2021	**33,500**	**230**	**227**
Balance as of 01 Janaury 2022	33,500	230	227
Profit for the year	-	-	373
Other comprehensive income / (loss)	-	-	-
Total comprehensive income for the year	-	-	373
Balance as of 31 December 2022	**33,500**	**230**	**600**

Note : During the previous year 2021, company had issued shares pursuant to infusion of funds by Holding company.

Summary of significant accounting policies (Note 1)

The accompanying notes are an integral part of the financial statements

As per our report of even date

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Prince Sharma
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Gurugram, India
Date: 06 April 2023

For and on behalf of the Board of Directors
of HCL Technologies Trinidad and Tobago Limited

Shiv Walia
Director

Sridharan Sundaram
Director

Date: 06 April 2023

HCL Technologies Trinidad and Tobago Limited
Statement of Cash flow for the year ended 31 December 2022
(All amounts in thousands except share data and as stated otherwise)

	Year ended 31 December 2022 (TTD)	Year ended 31 December 2021 (TTD)
A. Cash flows from operating activities		
Profit before tax	534	205
	534	**205**
Net change in		
Trade receivables	(3,657)	1,556
Other financial assets and other assets	-	(75)
Trade payables	2,145	326
Other financial liabilities and other liabilities	(10)	2,704
Cash generated from (used in) operations	**(988)**	**4,716**
Direct taxes paid	-	(44)
Net cash flow from (used in) operating activities (A)	**(988)**	**4,672**
B. Cash flows from financing activities		
Proceeds from Shares issued during the year	-	230
Net cash flow from financing activities (B)	**-**	**230**
Net increase/(decrease) in cash and cash equivalents (A+B)	(988)	4,902
Cash and cash equivalents at the beginning of the year	4,902	-
Cash and cash equivalents at the end of the year (refer note 2.2)	**3,914**	**4,902**

Summary of significant accounting policies (Note 1)

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
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Prince Sharma
Partner
Membership no.: 521307

Gurugram, India
Date: 06 April 2023

For and on behalf of the Board of Directors
of HCL Technologies Trinidad and Tobago Limited

Shiv Walia
Director

Sridharan Sundaram
Director

Date: 06 April 2023

ORGANIZATION AND NATURE OF OPERATIONS

HCL Technologies Trinidad and Tobago Limited ("the Company") is domiciled and headquarter in Trinidad and Tobago. The Company was incorporated in 23 May 2019 and is a specialist in the domain of engineering solutions and Software services. HCL Technologies Trinidad and Tobago Limited is the wholly owned subsidiary of HCL Technologies UK Limited.

The financial statements for the year ended 31 December 2022 were approved and authorized for issue by the Board of Directors on 06 April 2023.

1. Summary of Significant accounting policies

a) Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ('the 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.

The Company is not domiciled in India and hence was not incorporated under Companies Act, 2013 or under any previous Company law in India. These financial statements do not constitute a set of statutory financial statements in accordance with local laws of the Country in which the Company is incorporated.

These financial statements are prepared for the use of the Company and the ultimate holding Company, HCL Technologies Limited, to comply with the 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).

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous year except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

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 indirect method.

The functional currency of the Company is TTD.

b) Use of estimates

The preparation of standalone financial statements in conformity with Ind AS requires the management to make estimates and judgements 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 standalone financial statements in the year in which the changes are made.

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

i. Recognition of current and deferred taxes, refer note 1(e) and note 2.10
ii. Provisions and contingent liabilities, refer note 1(f)

c) Foreign currency and translation

The financial statements of the Company are presented in TTD which is also the Company's functional currency. 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 of 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 the 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 year in which the transaction is settled. Revenue and expenses denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

d) 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, ERP 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 Information Technology enabled services (ITES) is recognized on cost plus model when services have been rendered, the fee is determinable and collectability is reasonably assured in terms of master service agreement.

Revenue is recognized net of discounts and allowances, value-added tax and service tax, and includes reimbursement of out-of-pocket expenses, with the corresponding out-of-pocket expenses included in cost of revenues.

Interest income

Interest income for all financial instruments measured at amortized cost is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

e) Income Taxes

Tax expense comprise of current and deferred tax.

Income tax expense is recognized in the 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 includes the impact of provisions established for uncertain income tax positions, as well as the related interest and penalties.

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 entity and the same taxation authority.

f) 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.

g) 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 equivalent

Cash in the balance sheet comprise cash in banks, which is subject to an insignificant risk of changes in values

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 receivables, trade and other receivables.

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 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 consolidated 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.

h) 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 guidance of fair value 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 a company 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 methodology.

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.

i) Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period 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.

j) Recently issued accounting pronouncements

On 23 March 2022, the Ministry of Corporate Affairs (MCA), notified Companies (Indian Accounting Standards) Amendment Rules, 2022 effective from annual reporting periods beginning on or after 1 April 2022. Following is the key amended provision which may have an impact on the financial statements of the Company:

Onerous Contracts – Cost of Fulfilling a Contract (Amendment to Ind AS 37)

The amendments clarifies that the 'costs of fulfilling a contract' comprise both the incremental costs and allocation of other direct costs. The Company does not expect the adoption of this update to have a material impact on its financial statements.

Further, on 31 March 2023, the Ministry of Corporate Affairs (MCA), notified Companies (Indian Accounting Standards) Amendment Rules, 2023 effective for annual reporting periods beginning on or after 1 April 2023, which brought certain amendments to the existing Indian Accounting standards. The Company is currently evaluating the impact of the adoption of these amendments on its financial statements.

HCL Technologies Trinidad and Tobago Limited
Notes to financial statements for the year ended 31 December 2022
(All amounts in thousands except share data and as stated otherwise)

2.1 Trade receivables

	As at	
	31 December 2022	**31 December 2021**
	(TTD)	**(TTD)**
Billed		
Unsecured considered good (refer note 1 below)	4,748	871
Impairment Allowance for bad and doubtful debts	-	-
	4,748	**871**
Unbilled recievables (refer note 2.12)	1	222
	4,749	**1,093**

Note 1:- Includes billed receivables from related parties amounting to TTD 1,693 as on 31 December 2022 and TTD 871 as on 31 December 2021.

Trade receivables - current	**Not Due**	**Outstanding as at 31 December 2022 from the due date of payment**					
		Less than 6 months	**6 months – 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed – considered good	940	3,808		-	-	-	**4,748**
Impairment Allowance for bad and doubtful debts							-
							4,748
Unbilled receivables							1
							4,749

Trade receivables - current	**Not Due**	**Outstanding as at 31 December 2021 from the due date of payment**					
		Less than 6 months	**6 months – 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed – considered good	-	871	-	-	-	-	**871**
Impairment Allowance for bad and doubtful debts							-
							871
Unbilled receivables							222
							1,093

2.2 Cash and cash equivalents

	31 December 2022	**31 December 2021**
	(TTD)	**(TTD)**
Balance with banks		
- in current accounts	3,914	4,902
	3,914	**4,902**

HCL Technologies Trinidad and Tobago Limited
Notes to financial statements for the year ended 31 December 2022
(All amounts in thousands except share data and as stated otherwise)

2.3 Equity Share Capital

	As at	
	31 December 2022	**31 December 2021**
	(TTD)	**(TTD)**
Authorized		
33,500 equity shares of USD 1 each (6.88 TTD each)	230	230
Issued, subscribed and fully paid up		
33,500 equity shares of USD 1 each (6.88 TTD each)	230	230

Terms / rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of USD 1/- . All the shares are owned by holding company HCL Technologies UK Limited , so holding company has voting rights. In the event of liquidation of the company, the holding company will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts.

HCL Technologies Trinidad and Tobago Limited is the wholly owned subsidiary of HCL Technologies UK Limited.

Reconciliation of the number of shares outstanding at the beginning and at the end of the year

	As at			
	31 December 2022		**31 December 2021**	
	No. of shares	**Amount (TTD)**	**No. of shares**	**Amount (TTD)**
Number of shares at the beginning	33,500	230	-	-
Add: Shares issued during the year	-	-	33,500	230
Number of shares at the end	**33,500**	**230**	**33,500**	**230**

Details of promoters holding in the company is as follows :-

Name of the shareholder	As at				% change during the year
	31 December 2022		**31 December 2021**		
	No. of shares	**% Holding**	**No. of shares**	**% Holding**	
Equity shares of USD 1 each fully paid					
HCL Technologies UK Limited, the holding company	33,500	100%	33,500	100%	0.00%

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

Name of the shareholder	As at			
	31 December 2022		**31 December 2021**	
	No. of shares	**% Holding**	**No. of shares**	**% Holding**
Equity shares of USD 1 each fully paid				
HCL Technologies UK Limited, the holding company	33,500	100%	33,500	100%

As per the records of the Company, including its register of shareholders/members received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.
There are no bonus shares issued, no shares issued for consideration other than cash and no shares bought back immediately preceding the reporting date from date of incorporation

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.

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

2.4 Trade payables

	As at	
	31 December 2022	**31 December 2021**
	(TTD)	**(TTD)**
Trade payables	257	523
	257	**523**
Unbilled and accruals - others	43	251
Unbilled and accruals -related parties (refer note 2.12)	2,619	-
	2,662	**251**
	2,919	**774**

Particulars	**Not Due**	**Outstanding as at 31 December 2022 from the due date of payment**				
		Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Trade payables	257	-	-	-	-	257
						257
Unbilled and accruals						2,662
						2,919

Particulars	**Not Due**	**Outstanding as at 31 December 2021 from the due date of payment**				
		Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Trade payables	523	-	-	-	-	523
						523
Unbilled and accruals						251
						774

2.5 Other financial liabilities

	As at	
	31 December 2022	**31 December 2021**
	(TTD)	**(TTD)**
Other payables (refer note 2.12)	4,769	4,779
	4,769	**4,779**

HCL Technologies Trinidad and Tobago Limited
Notes to financial statements for the year ended 31 December 2022
(All amounts in thousands except share data and as stated otherwise)

2.6 Revenue from operations

	Year ended 31 December 2022 (TTD)	Year ended 31 December 2021 (TTD)
Sale of services	5,910	3,882
	5,910	**3,882**

Disaggregate Revenue Information
The disaggregated revenue from contracts with the customers by contract type is as follows:

	Year ended 31 December 2022 (TTD)	Year ended 31 December 2021 (TTD)
Contract type		
Fixed price	5,850	3,882
Time and material	60	-
Total	**5,910**	**3,882**
Geography wise		
Europe	1,101	3,882
Angola	1,693	-
Trinidad,Tobago	3,116	-
Others	0	-
Total	**5,910**	**3,882**

Remaining performance obligations
As at 31 December 2022, the aggregate amount of transaction price allocated to remaining performance obligations as per the requirements of Ind AS 115 was TTD 8,032 (31 December 2021, nil) out of which, approximately 52% is expected to be recognized as revenues within one year and the balance beyond one year. This is after exclusions as below:
a) Contracts for which we recognize revenues based on the right to invoice for services performed,
b) Variable consideration allocated entirely to a wholly unsatisfied performance obligation or to a wholly unsatisfied promise to transfer a distinct good or service that forms part of a single performance obligation, or
c) Variable consideration in the form of a sales-based or usage-based royalty promised in exchange for a license of intellectual property.

2.7 Other income

	Year ended 31 December 2022 (TTD)	Year ended 31 December 2021 (TTD)
Exchange differences (net)	3	-
	3	**-**

2.8 Finance cost

	Year ended 31 December 2022 (TTD)	Year ended 31 December 2021 (TTD)
Interest expense	2	1
Bank charges	2	-
	4	**1**

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

2.9 Other expenses

	Year ended 31 December 2022 (TTD)	Year ended 31 December 2021 (TTD)
Exchange difference (net)	-	25
Legal and professional charges	161	211
Rates and taxes	3	17
Dues and subscription	4	-
	168	**253**

2.10 Income taxes

	Year ended 31 December 2022 (TTD)	Year ended 31 December 2021 (TTD)
Income tax charged to statement of profit and loss		
Current income tax charge	85	144
Deferred tax charge / (credit)	76	(77)
	161	**67**

The reconciliation between the provision for income tax and amount computed by applying the statutory income tax rate is as follows:

	Year ended 31 December 2022 (TTD)	Year ended 31 December 2021 (TTD)
Profit before income tax	534	205
Statutory tax rate	30%	30%
Expected tax expense	160	62
Permanent difference	1	5
Total taxes	**161**	**67**
Effective income tax rate	30%	33%

Components of deferred tax assets and liabilities as on 31 December 2022 **Amount in (TTD)**

	Opening balance	Recognized in profit and loss	Recognised in / reclassified from OCI	Closing balance
Deferred tax assets				
Unrealised forex gain/(loss)	3	(3)	-	-
Provisions	72	(72)	-	-
Gross deferred tax assets (A)	**75**	**(75)**	**-**	**-**
Deferred tax liabilities				
Unrealised forex gain/(loss)	-	0		0
Gross deferred tax liabilities (B)	-	0	-	0
Net deferred tax assets/ (liabilities) (A-B)	**75**	**(75)**	**-**	**0**

Components of deferred tax assets and liabilities as on 31 December 2021 **Amount in (TTD)**

	Opening balance	Recognized in profit and loss	Recognised in / reclassified from OCI	Closing balance
Deferred tax assets				
Unrealised forex loss	-	3	-	3
Provisions	-	72	-	72
Gross deferred tax assets (A)	**-**	**75**	**-**	**75**
Deferred tax liabilities				
Unrealised forex gain	2	(2)	-	-
Gross deferred tax liabilities (B)	2	(2)	-	-
Net deferred tax assets/ (liabilities) (A-B)	**(2)**	**77**	**-**	**75**

2.11 Income tax asset

	As at 31 December 2022 (TTD)	As at 31 December 2021 (TTD)
Advance tax (refundable)	13	-
	13	**-**

HCL Technologies Trinidad and Tobago Limited
Notes to financial statements for the year ended 31 December 2022
(All amounts in thousands except share data and as stated otherwise)

2.12 Related party transactions
a) Related parties where control exists

Ultimate Holding company
HCL Technologies Limted, India

Holding company
HCL Technologies UK Limited

b) Related Party where transactions have taken place during the year
Holding company
HCL Technologies UK Limited

Fellow Subsidiary
HCL America Inc.
HCL Technologies Corporate Services Limited
Axon Solutions (Shanghai) Co. Limited
Filial Espanola De HCL Technologies S.L.
HCL (Brazil) Technologia Da Informacao EIRELI
HCL Asia Pacific Pte Limited
HCL Australia Services Pty. Limited
HCL Axon Solutions (Shanghai) Co., Limited
HCL Canada Inc.
HCL Hungary kft
HCL Istanbul Bilisim Teknolojileri Limited sirketi
HCL Japan Limited
HCL Mexico S. de R.L.
HCL Technologies (Shanghai) Limited
HCL Technologies Angola (SU), LDA
HCL Technologies Belgium BVBA
HCL Technologies Middle East FZ-LLC
HCL Technologies Norway AS
HCL Technologies Philippines, Inc
HCL Technologies Vietnam Company Limited

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

	Ultimate Holding company		Holding company		Fellow Subsidiaries	
	Year ended		Year ended		Year ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Revenue	1	-	1,100	3,184	1,693	698
Outsourcing cost	698	-	-	-	1,921	-
Share capital issued during the year	-	-	-	230	-	-

d) Outstanding balances of related parties **(TTD)**

	Ultimate Holding company		Holding company		Fellow Subsidiaries	
	As at		As at		As at	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Other payables	-	-	-	-	4,769	4,779
Unbilled and accruals	698	-	-	-	1,921	-
Unbilled recievables	1	-	-	222	-	-
Trade receivables	-	-	-	173	1,693	698

2.13 Earning per share (EPS)

Particulars	As at	
	31 December 2022	31 December 2021
	(TTD)	(TTD)
Net profit as per statement of profit and loss for computation of EPS	373	138
Weighted average number of equity shares outstanding in calculating basic and dilutive EPS *	33,500	5,599
Nominal value of equity shares	6.88	6.88
Earning per equity share (Basic and Diluted)	**11.14**	**24.69**

*In year 2021, capital infusion was done correspondingly EPS is calculated on weighted average number of equity shares.

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

2.14 Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available and their results are reviewed regularly by the chief operating decision maker (CODM), for allocation of resources and assessing performance.
The Company's ultimate holding 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 HCL Software. 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.

Hence there is only one reportable segment of the Company, as envisaged under Indian Accounting Standards -108 "Operating segments".
Revenue disaggregation as per geography is given in note 2.6.

2.15 Financial Instruments

(a) Financial assets and liabilities

The carrying value of financial instruments by categories as at 31 December 2022 is as follows:

	Amortized Cost	Total Carrying Value
	(TTD)	(TTD)
Financial assets		
Trade receivables (including unbilled)	4,749	4,749
Cash and cash equivalent	3,914	3,914
Total	**8,663**	**8,663**
Financial liabilities		
Trade payables (including unbilled and accruals)	2,919	2,919
Others (refer note 2.5)	4,769	4,769
Total	**7,688**	**7,688**

The carrying value of financial instruments by categories as at 31 December 2021 is as follows:

	Amortized Cost	Total Carrying Value
	(TTD)	(TTD)
Financial assets		
Trade receivables (including unbilled)	1,093	1,093
Cash and cash equivalent	4,902	4,902
Total	**5,995**	**5,995**
Financial liabilities		
Trade payables (including unbilled and accruals)	774	774
Others (refer note 2.5)	4,779	4,779
Total	**5,553**	**5,553**

(b) Financial risk management

The Company is exposed to market risk, credit risk and liquidity risk which may impact the fair value of its financial instruments. The Company has a risk management policy to manage & mitigate these risks.

The Company's risk management policy aims to reduce volatility in financial statements while maintaining balance between providing predictability in the Company's business plan along with reasonable participation in market movement.

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk and interest rate risk. The Company is primarily exposed to fluctuation in foreign currency exchange rates.

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

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in exchange rates. The Company's exposure to the risk of changes in exchange rates relates primarily to the Company's operations.

The exchange rate risk primarily arises from assets and liabilities denominated in curriences other than functional currency. An insignificant portion of the Company's revenue is in other foreign currency while a large protion of costs are in TTD. The fluctuation in exchnges rates in respect to TTD may not have potential impact on the statement of profit and loss and equity.

Appreciation / depreciation of 1% in respective foreign currencies with respect to functional currency of the Company would result in decrease / increase in the Company's profit before tax by TTD 16.43 for the year ended 31 December, 2022.

The rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 1% against the respective functional currencies of the Company. The sensitivity analysis presented above may not be representative of the actual change.

Non-derivative foreign currency exposure as of 31 December 2022 in major currencies is as below:

	Net financial assets		Net financial liabilities	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	(TTD)	(TTD)	(TTD)	(TTD)
USD/TTD	3,383	4,367	5,026	5,553

(iii) Credit risk

Financial instruments that subject the company to the potential credit risk consist principally of cash and bank balances and trade receivables (including unbilled receivables). By their nature, all such financial instruments involve risks, including the credit risk of non-performance by counter parties. The allowance for lifetime expected credit loss on customer balances as on 31st December 2022 is Nil and as on 31 December 2021 is Nil.

(iv) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities. The investment philosophy of the Company is capital preservation and liquidity in preference to returns. The Company consistently generates sufficient cash flows from operations and has access to multiple sources of funding to meet the financial obligations and maintain adequate liquidity for use.

Maturity profile of the Company's financial liabilities based on contractual payments is as below:

	Year 1 (Current)	Year 2	Year 3	Year 4-5 and thereafter	Total
	(TTD)	(TTD)	(TTD)	(TTD)	(TTD)
As at 31 December 2022					
Trade payables (including unbilled and accruals)	2,919	-	-	-	2,919
Others	4,769	-	-	-	4,769
Total	**7,688**	**-**	**-**	**-**	**7,688**
As at 31 December 2021					
Trade payables (including unbilled and accruals)	774	-	-	-	774
Others	4,779	-	-	-	4,779
Total	**5,553**	**-**	**-**	**-**	**5,553**

HCL Technologies Trinidad and Tobago Limited
Notes to financial statements for the year ended 31 December 2022
(All amounts in thousands except share data and as stated otherwise)

2.16 Ratio

Ratio	Numerator	Denominator	Units	Year ended 31 December 2022	Year ended 31 December 2021	%Variance
Current ratio	Current assets	Current liabilities	Times	1.11	1.08	2%
Return on equity ratio	Profit for the year	Average total equity	%	58	51	15%
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	Times	2.02	2.07	-2%
Trade payables turnover ratio	Net credit purchases	Average trade payables	Times	2.91	6.02	-52%
Net capital turnover ratio	Revenue from operations	Working capital (refer note below 1)	Times	7.12	8.49	-16%
Net profit ratio	Profit for the year	Revenue from operations	%	6	4	77%
Return on capital employed	Earning before interest and taxes	Capital employed (refer note 2 below)	%	65	54	21%
Debt equity ratio	Total Debts	Total Equity	Times	NA	NA	NA
Debt service coverage ratio	Earning availables for debt service	Debt service	Times	NA	NA	NA
Inventory turnover ratio	Cost of good sold	Average inventories	Times	NA	NA	NA
Return on investment	Income generated from invested funds	Time weighted average investments	%	NA	NA	NA

Notes :
(1) Working capital = current assets - current liabilities
(2) Capital employed = Net Worth-Deferred Tax Assets+Deferred Tax Liabilities
(3) Average is calculated based on simple average of opening and closing balances

Explanation where change in the ratio is more than 25%

1. Trade payables turnover ratio - Due to increase in volume of Trade payables in current year , Trade payables turnover ratio is in decreasing trend.

2. Net profit ratio - There is increase in gross margin in current year correspondingly net proft ratio is on higher side.

2.17 Change in Classification

Pursuant to amendment in Schedule III to the Companies Act, 2013, effective from 1 April 2021, the Company has modified the classification of certain assets and liabilities. Comparative amounts in the notes to the financial statements were reclassified for consistency.

	As earlier reported	Revised classification	Difference
Financial Assets			
Trade receivables - unbilled (current)	-	222	222
Others (current)	222	-	(222)
Financial liabilities			
Trade payable - unbilled and accruals	-	251	251
Others	251	-	(251)

2.18 Subsequent event

The Company has evaluated all the subsequent events through 06 April 2023, which is the date on which these financial statements were issued, and no events have occurred from the balance sheet date through that date except for matters that have already been considered in the financial statements.

2.19. The Company has presented its financial statements in "TTD in thousands" and accordingly, amounts less than TTD 0.50 thousands are rounded off to zero.

As per our report of even date

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

prince sharma
prince sharma (Apr 6, 2023 20:11 GMT+5.5)
Prince Sharma
Partner
Membership no.: 521307

Gurugram, India
Date: 06 April 2023

For and on behalf of the Board of Directors
of HCL Technologies Trinidad and Tobago Limited

Shiv Walia
Director

Sridharan Sundaram
Director

'Date: 06 April 2023

April 06,2023

BSR & Co. LLP
Chartered accountants Building No. 10,
12th Floor, Tower C, DLF Cyber City,
Gurugram, Haryana – 122002

Dear Sirs,

We are providing this letter in connection with your audit of the financial statements of HCL Technologies Trinidad & Tobago Limited ("the Company"), which comprise the balance sheet as at December 31, 2022 and 2021, the Statement of Profit and Loss including comprehensive income (loss), the statement of changes in equity and cash flows for the years ended December 31, 2022 and 2021, including a summary of significant accounting policies and other explanatory notes, for the purpose of expressing an opinion as to whether Financial statements give a true and fair view in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as specified under section 133 of the Companies Act, 2013 including applicable Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India.

We confirm, to the best of our knowledge and belief, as of April 06,2023 the following representations made to you during your audit:

Section A – General Representations

1. We acknowledge that control over and responsibility for the prevention and detection of fraud, irregularities and error remains with us. This responsibility includes the design, implementation, and maintenance of internal control sufficient to provide a reasonable basis for the preparation and fair presentation of financial statements in accordance with generally accepted accounting principles in India and to provide reasonable assurance against the possibility of misstatements that are material to the financial statements whether due to error or fraud.

2. We have made available/disclosed to you:

   i. All records, documentation, and information that is relevant to the preparation and fair presentation of the Financial Statements.

   ii. Additional information that you have requested from us for the purpose of the audit.

   iii. Unrestricted access and the full cooperation of personnel within the entity from whom you determined it necessary to make inquiries.

   iv. All minutes of the meetings of shareholders, directors, and committees of directors, or summaries of actions of recent meetings for which minutes have not yet been prepared. All significant board and committee actions are included in the summaries.

   v. All side agreements or other arrangements known to us.

3. All material transactions have been recorded in the accounting records and are reflected in the financial statements.

4. There is no fraud, allegations of fraud or suspected fraud affecting the entity involving:

   a. Management,
   b. Employees who have significant roles in internal control, or
   c. Others where the fraud could have a material effect on the financial statements.

5. We have no knowledge of any officer or director of the Company, or any other person acting under the direction thereof, having taken any action to fraudulently influence, coerce, manipulate, or mislead you during your audit.

6. The effects of the uncorrected financial statement misstatements are immaterial, both individually and in the aggregate, to the statements taken as a whole. Refer Annexure A- Summary of uncorrected audit misstatements.

7. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable and have been properly recorded or disclosed in the financial statements. Financial projections used for all processes where forecasts are relevant, e.g. taxes, are based on internal forecasts and business approved projections that reflect management's best estimates and factors in expectation and information available till date.

8. We have disclosed to you the identity of our related parties, related party relationships and transactions of which we are aware, in accordance with IND AS 24 Related Party Disclosures and such relationships and transactions have been appropriately accounted for and disclosed. We confirm that related party transactions were conducted on terms equivalent to those prevailing in an arm's length transaction and in the ordinary course of business.

9. The following have been properly recorded or disclosed in the Statement.

   a. Significant estimates and material concentrations known to management that are required to be disclosed in accordance with IND AS 1 Presentation of Financial Statements.
   b. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balance, lines of credit, or similar arrangements.
   c. Change in accounting principles affecting consistency.

10. The Company has evaluated any risk of non-compliance with contracts informed by concerned business teams or claims raised by customers and necessary effects wherever material have been considered in the financial statements.

11. As at and for the year end December 31, 2022, the Company has measured appropriately any obligations arising from the following, basis which there are no:

   - onerous contracts, i.e. those contracts under which the unavoidable costs of meeting the obligation exceed the economic benefits to be received under it, other than contracts for which provision has been made in the books of account;
   - losses from known transactions not recognized in the standalone financial statements.

12. The Company has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities other than disclosed to you.

13. We confirm that all scanned/digitized/filmed/electronic documents provided by us to the audit team are 'True Copies' of the original documents which are in the possession of the Company.

14. The methods, the data and the significant assumptions used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework. With respect to the estimates, we confirm:

   - We have taken into account all relevant information with respect to the significant judgments in making

   - the accounting estimates;

- We confirm that the selection or application of the methods, assumptions and data used by us in making the accounting estimates are consistent and appropriate;

- We confirm that the assumptions appropriately reflect our intent and ability to carry out specific courses of action, when relevant to the accounting estimates and disclosures;

- We confirm that disclosures related to accounting estimates, including disclosures describing estimation uncertainty, are complete and are reasonable in the context of the applicable financial reporting framework;

- We confirm that appropriate specialized skills or expertise has been applied in making the accounting estimates;

- We confirm that no subsequent event requires adjustment to the accounting estimates and related disclosures included in the IND AS financial statements.

Going concern

15. We have made an assessment of the Company's ability to continue as a going concern, taking into account all available information about the future, which under IND AS 1 Presentation of Financial Statements is at least, but is not limited to, twelve months from the end of the reporting period. We confirm that we have not identified events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Fraud

16. We acknowledge that because of the inherent limitations of an audit, together with the inherent limitations of internal controls, there is an unavoidable risk that material misstatements due to fraud or error may occur. and not be detected, even though the audit is properly planned and performed by you in accordance with the Standards on Auditing

    We also acknowledge that we are also responsible to take appropriate action when a fraud is detected or reported through any of the sources. We confirm that there has been no internal reporting on offences involving fraud.

Compliance with laws and regulations

17. There have been no communications from regulatory agencies, governmental representatives, tax authorities' employees or others concerning investigations or allegations of noncompliance with laws and regulations, deficiencies in financial reporting practices or other matters that could have a material effect on the financial statements in the event of non-compliance. We are not aware of any irregularities, or allegations of irregularities, involving management or employees who have a significant role in the accounting and internal control systems, or that could have a material effect on the financial statements.

18. To the best of our knowledge and belief, the Company has not made any improper payments or payments which are illegal or against public policy.

19. The Company has complied with all aspects of contractual agreements which could have a material effect on the Ind AS financial statements in the event of non-compliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.

Fair Value Measurements

20. We are responsible for making the fair value measurements and disclosures included in the financial statements in accordance with IND AS 113, Fair Value Measurement. As part of fulfilling this responsibility, we have established an accounting and financial reporting process for determining the fair value measurements and disclosures, in accordance with the fair value techniques included in IND AS 113, considered the appropriateness of valuation techniques, including circumstances in which a practical expedient may be used to estimate fair value, adequately supported any significant assumptions used, and ensured that the presentation and disclosure of the fair value measurements are in accordance with Indian Accounting Standard accepted accounting principles including the disclosure

requirements of IND AS 113. We believe the assumptions and techniques used by us, including those used by specialists engaged by us, are in accordance with the definition of fair value in IND AS 113 and the disclosures adequately describe the level of the inputs used in the fair value measurement, in accordance with the fair value hierarchy in IND AS 113.

21. The Company is responsible for determining the fair value of financial instruments as required by IND AS 109, Financial Instruments. The amounts disclosed represent the Company's best estimate of fair value of financial instruments required to be disclosed under IND AS 109 and other assets or liabilities, if separately disclosed. The Company also has disclosed the methods and significant assumptions used to estimate the fair value of financial instruments and any changes to those methods and significant assumptions, if any, as required by IND AS 109.

Cyber Security

22. We confirm that there are no cyber security incidents during the year.

Section B – Additional specific representations

Taxation

23. The calculations of current and deferred tax expense (benefit) and the measurement of the related current and deferred tax assets and liabilities have been determined based on appropriate provisions of applicable enacted tax laws and regulations and in accordance with IND 12 and also include enacted changes in tax laws.

24. We are not aware of any tax exposures, which require any accrual in the financial statements.

25. We acknowledge our responsibility for the tax accounting methods adopted by the Company, which have been consistently applied in the current period, and for the current year income tax provision calculation.

26. We confirmed that all the transactions with related parties are at arm's length price as per local transfer pricing rules. We do maintain the transfer pricing documentation internally. We'll be able to demonstrate to the tax authorities the transaction with related parties carried out at arm's length price as per local transfer pricing requirement.

27. Temporary differences that have not been tax-effected in accordance with the provisions of IND AS 12, Income Taxes, are not expected to reverse in the foreseeable future.

28. There are no other uncertain tax positions known to us in accordance with the provisions of IND AS 12 Income Taxes.

Equity Share capital

29. We have recorded or disclosed, as appropriate, for each class of share capital, the number and amount of shares authorized, the number of shares issued, subscribed and fully paid, and subscribed but not fully paid, par value per share, a reconciliation of the number of shares outstanding at the beginning and at the end of the year, other requirements in respect of the company's capital including:

(a) The shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by it or by subsidiaries or associates of the holding company or the ultimate holding company, in aggregate.

(b) Shares in the company held by each shareholder holding more than 5 per cent shares specifying the number of shares held.

30. The Company does not have any share application money pending allotment as of December 31, 2022.

Cash and Bank

31. We confirm that the Company has not made any transactions in cash during the year and does not have any cash in hand as at December 31, 2022.

Revenue and Receivables

32. Receivables reported in the financial statements represent valid claims against debtors for sales or other charges arising on or before the Statement date.

33. Management confirms that accounts receivables and unbilled receivables are valued after making reserve for allowances based on factors like ageing, likelihood of increased credit risk and expected realizability, nature of customer verticals.

34. Management has made assessment of revenue recognized by the Company in respect of year ended December 31, 2022 and 2021, it meets the criteria specified by IND AS 115, Revenue from contract with customers.

Financial liabilities- Trade payables

35. We confirm that the ageing of trade payables and bifurcation of such payables disputed and undisputed payables, disclosed in Note No. 2.4 to the financial statements are appropriate.

Provisions, Contingent Liabilities and Commitments

36. We confirm that there is no material non-compliance with laws and regulations. We further confirm that effects and disclosure of these have been considered when preparing the financial statements in accordance with IND AS 37, Provisions, Contingent Liabilities and Contingent Assets.

Other Matters

37. We confirm that all the ratios disclosed in Note No. 2.16 of Ind AS Financial Statements are accurate. We, further, confirm that the explanations for the change in ratios by more than 25% as disclosed in Note No. 2.16 of Ind AS Financial Statements are appropriate.

38. Pursuant to amendment in Schedule III to the Companies Act, 2013, effective from 1 April 2021, the Company has modified the classification of certain assets and liabilities. Comparative amounts in the notes to the financial statements were reclassified for consistency.

On behalf of the board of directors

HCL Technologies Trinidad and Tobago Limited

Date: 06 April 2023

Shiv Walia
Director

Sridharan Sundaram
Director

Annexure A **Summary of Uncorrected Audit Misstatements**

Amounts in: **TTD**

Method Used to Quantify Audit Misstatements: **Dual**

Correcting Entry Required at Current Period End						Income Statement Effect - Debit (Credit)			Balance Sheet Effect - Debit (Credit)					Cash Flow Effect - Increase (Decrease)			Statement of Comprehensive Income - Debit (Credit)
ID	**Description of misstatement**	**Type of misstatement**	**Accounts**	**Debit**	**(Credit)**	**Income effect according to Iron Curtain (Balance Sheet) method**	**Income effect of correcting the balance sheet in prior period (carryforward from prior period)**	**Income effect according to Rollover (Income Statement) method**	**Equity**	**Current Assets**	**Non current Assets**	**Current Liabilities**	**Non current Liabilities**	**Operating Activities**	**Investing Activities**	**Financing Activities**	**Comprehensive Income**
1	Prior period expense accounted in Current year (During Year ended Dec'22)	Factual	Other equity	35,633	-	-	-	-	35,633								
			Other expenses	-	35,633	-	(35,633.00)	-	(35,633.00)					35,633			
2	Tax Impact on prior year true ups	Factual	Current Tax Expense	72,583	-	-	72,583	-	72,583								
			Current Tax Liability	-	72,583	-	-	-				(72,583.00)					
3	Tax Impact on prior year true ups	Factual	Deferred Tax Asset	72,583							72,583						
			Deferred Tax Credit	-	72,583		(72,583.00)		(72,583.00)								
			Aggregate effect of uncorrected misstatement	1,80,799	1,80,799		35,633		-		72,583	(72,583.00)		35,633			

Directors' Report for the Financial Year ended December 31, 2022

To the Members,

The Directors of your Company have pleasure in presenting the Annual Report of the Company together with the Audited Accounts for the financial year ended December 31, 2022.

FINANCIAL RESULTS

The Financial results of your Company for the year ended December 31, 2022 are summarized as follows:

Amount in TTD'000

	Year ended December 31, 2022	**Year ended December 31, 2021**
Total Income	5,913	3,882
Total Expenditure	5,379	3,677
Profit/(Loss) before tax	534	205
Provision for tax	161	67
Profit /(Loss) for the year	373	138

DIVIDEND

In order to conserve resources, the directors did not recommend any dividend for the financial year ended on December 31, 2022.

TRANSFER TO RESERVES

Your Company does not propose to transfer to the reserve out of amount available for appropriation.

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

Your Company's primary business is to provide Computer software (IT) services.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

There were no major changes affecting the financial position of the Company between the end of the financial year and the date of the report.

CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business of the company during the year under review.

SHARE CAPITAL

As on December 31, 2022, the share capital of the Company comprises of 33,500 equity shares of TTD 6.88 each aggregating to TTD 2,30,480.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your Company does not have any subsidiary, joint venture or associate company.

DIRECTORS

As on December 31, 2022, the Board consisted of two members namely Mr. Shiv Kumar Walia, Mr. Sridharan Sundaram, Mr. Raghu Raman Lakshmanan and Mr. Bronock A. Reid. Out of all the directors Mr. Bronock A. Reid is the executive director and rest of the directors are non-executive directors.
During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company and executive director has withdrawn fixed remuneration per month from the company.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company does not have a Nomination and Remuneration Committee ("NRC").

INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY

Your Company has a proper and adequate system of internal financial controls. This ensures that all assets are safeguarded and protected against loss from unauthorised use or disposition and the transactions are authorised, recorded and reported correctly. The internal financial control system has been designed to ensure that the financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets.
The parent company has an Internal Audit Department headed by an Internal Auditor.

WHISTLE BLOWER/VIGILANCE POLICY

The whistle blower policy/vigil mechanism to report any wrong doing occurring within the Company has been established. Adequate safeguards against victimization of whistle-blowers who express their concerns against such wrongdoings has also been established. The whistle blower mechanism operates at the level of the parent company and it covers all the subsidiaries including your Company.

STATUTORY AUDITORS

M/s. B.S.R. & Co. LLP, Chartered Accountants, were appointed as statutory auditors of the Company to hold office for the year 2022. It is proposed to appoint M/s. B.S.R. & Co. LLP, Chartered Accountants, as auditors of the Company for the year 2023.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS' IN THEIR REPORT

There were no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The provisions relating to Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 and/or erstwhile Section 372A of Companies Act, 1956 are not applicable to the Company, being a body corporate incorporated outside India.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The Company has entered into any contracts or arrangements with related parties on arms' length price.

EXTRACT OF ANNUAL RETURN

The Company is a body corporate since the Corporation is incorporated outside India. Hence, the provisions of Section 92(3) of the Companies Act, 2013, being the extract of annual return (Form MGT-9), need not form part of this report.

DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from the public and as such, no amount on account of principal or interest on deposits from the public was outstanding as on the date of the balance sheet.

FRAUD

Your Company is a very well-managed Company and neither the Auditors nor the Internal Auditors have brought to the notice of the Board of Directors the occurrence or brewing of any fraud in the Company.

HUMAN RESOURCE MANAGEMENT

Your Company believes that human capital is one of the key elements that would give the Company a sustainable competitive advantage in the market. Your Directors record their sincere appreciation for the dedicated efforts of the employees.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors, to the best of their knowledge and ability, confirm that:

i. in the preparation of the Annual Accounts, the applicable accounting standards have been followed and there are no material departures;

ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. they have prepared the Annual Accounts on a going concern basis;

v. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

Your Directors also thank the customers, vendors, bankers, and all the stakeholders associated with the Company. The success of your Company would be incomplete without the commendable effort put in by the past and present employees of the Company.

On behalf of the board of directors
HCL Technologies Trinidad and Tobago Limited

Date: 06 April 2023

Shiv Walia
Director

Sundaram Sridharan
Director