

Documents required to be submitted for approval under Clause 24(f) of the Listing Agreement, for the Scheme of Amalgamation / Arrangement (including reduction in capital, arrangement with creditors, etc) proposed to be filed under sections 391, 394 and 101 of the Companies Act, 1956

| Sr. No. | Documents to be submitted alongwith application under Clause 24(f) of the Listing Agreement | Annexure No. | Page Nos. |
|---------|--|---|-----------|
| 1. | Certified true copy of the resolution passed by the Board of Directors of the company. | Annexure - 1 | 1- 4 |
| 2. | Certified copy of the draft Scheme of Arrangement proposed to be filed before the High Court. | Annexure - 2 | 5- 51 |
| 3. | Valuation report from Independent Chartered Accountant as applicable as per Para 4 of SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013. | Not applicable | - |
| 4. | Report from the Audit Committee recommending the draft scheme taking into consideration, inter alia, the valuation report at sr. no. 3 above | Annexure - 3 | 52 |
| 5. | Fairness opinion by Merchant Banker | Annexure - 4 | 53-54 |
| 6. | Shareholding pattern of all the Companies pre and post Scheme of Arrangement as per Clause 35 of the Listing Agreement. | Annexure - 5 | 55- 63 |
| 7. | Audited financials of the transferee and transferor companies for the last 3 financial years (financials not being more than 6 months old) as per Annexure I | Annexure - 6 | 64- 65 |
| 8. | Compliance Report as per clause 49 of the listing agreement per Annexure II | Annexure - 7 | 66- 67 |
| 9. | Complaint report as per Annexure III. (To be submitted within 7 days of expiry of 21 days from the date of filing of Draft Scheme). | Noted for future compliance | - |
| 10. | Compliance report with the requirements specified in Part-A of the circular CIR/CFD/DIL/5/2013 dated February 4, 2013 as per Annexure IV | Annexure - 8 | 68- 69 |
| 11. | If as per the company, approval from the shareholders through postal ballot and e-voting, as required under Para 5.16(a), is not applicable then as required under Para 5.16 (b), submit the following: a) An undertaking certified by the auditor clearly stating the reasons for non-applicability of Para 5.16(a). b) Certified copy of Board of Director's resolution approving the aforesaid auditor certificate. | This is being provide separately. -do- | - |
| 12. | Certified true copy of the resolution passed by the Board of Directors of the Company appointing Designated Stock Exchange (DSE) for the purpose of coordinating with SEBI | NSE has been appointed as the DSE. | |
| 13. | Brief details of the transferee and transferor Companies as per format enclosed at Annexure V. | Annexure - 9 | 70- 73 |
| 14. | Net-worth certificate (excluding Revaluation Reserve) together with related workings pre and post scheme for the transferee and / or resulting company. | Annexure - 10 | 74- 75 |
| 15. | Capital evolution details of the transferee and transferor companies as per format enclosed at Annexure VI. | Annexure - 11 | 76- 78 |
| 16. | Confirmation by the Managing Director/ Company Secretary as per format enclosed as Annexure VII. | Annexure - 12 | 79- 80 |



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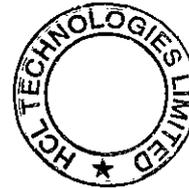
| | | | |
|-----|---|-----------------------------------|--|
| 17. | Statutory Auditor's Certificate confirming the compliance of the accounting treatment as specified in the Clause 24(i) of the listing agreement, as per the format given in SEBI circular CIR/CFD/DIL/1/2014 dated March 25, 2014 enclosed as Annexure VIII. | This is being provided separately | - |
| 18. | Annual Reports of the transferee and transferor companies for the last financial year. | Annexure - 13 | 81 - 181 |
| 19. | Additional details as per format for division being transferred | Annexure - 14 | 182 - 184 |
| 20. | Processing fee (non-refundable) payable will be as below, favoring 'BSE Limited' Rs.1,00,000/- plus Service Tax as applicable, where one entities/companies are Merged or one new company formed due to De-merger Rs. 2,00,000/- plus Service Tax as applicable, where more than one entity/company is Merged or more than one new company formed due to De-merger. | Annexure - 15 | Chq. No. 748796, dtd. Oct 28, 2015 Standard Chartered Bank Rs.1,14,000/- |
| 21. | Name & Designation of the Contact Person : Mr. Manish Anand, Company Secretary Telephone Nos. (landline & mobile) : +91 9810799759, + 120 2556436 Email ID. : manishanand@hcl.com | | |

Kindly note that all pages of the documents/details provided should be serially numbered, stamped and certified by the authorized signatory of the company.

Kindly also submit one additional set of the documents at sr. nos. 2 to 11 separately (hard copy as well as soft copy emailed to "bse.schemes@bseindia.com" mentioning company name as subject, for uploading on the Exchange website).

The Exchange reserves the right to modify and ask for additional documents / clarifications depending on a case to case basis. Approval for the proposed scheme will be subject to compliance with the Statutory/ Regulatory requirements, norms of the Board of Directors of the Exchange and other Exchange requirements.

Manish Anand



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF HCL COMNET LIMITED IN ITS MEETING HELD ON SEPTEMBER 29, 2015

"RESOLVED THAT pursuant to Sections 391 to 394 and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Companies Act, 2013 and other applicable provisions, if any, and the Memorandum and Articles of Association of the Company and subject to the consent of members and/ or creditors of the Company, approval of the Hon'ble High Court of Delhi (hereinafter referred to as the "High Court") and Registrar of Companies, National Capital Territory of Delhi & Haryana (hereinafter referred to as the "Registrar") and/ or any other relevant authority empowered to approve the Scheme of Arrangement between HCL Technologies Limited, HCL Comnet Limited & their respective shareholders and creditors (hereinafter referred to as the "Scheme") and such other requisite and other approvals, consents, permissions and/or sanctions of any appropriate authority, body or institution (hereinafter collectively referred to as "the concerned authority") and subject to such conditions or guidelines, if any, as may be prescribed, stipulated in this regard by the High Court or the concerned authority or any of them, from time to time, while granting such approvals, consents, permissions and/or sanctions, the Scheme, which inter-alia provides for the transfer of India System Integration Business of HCL Technologies Limited to HCL Comnet Limited ("Company") on a going concern basis for a consideration up to Rs.132 crores be and is hereby approved."

"RESOLVED FURTHER THAT Mr. Manish Anand and Mr. Prahlad Rai Bansal, Directors of the Company be and are hereby severally authorized to undertake various actions in the name of and on behalf of the Company including but not limited to:

- (a) Finalize the Scheme of arrangement including the exact consideration, drafting the notices and explanatory statement under Section 393 of the Companies Act, 1956 for convening/ dispensing the class meetings of the equity shareholders, and creditors with one or more modifications as they may deem fit; application(s)/petition(s) for the scheme of arrangement, any affidavits, pleadings or any other documents and file the same before the Hon'ble High Courts of Delhi, and / or any other relevant court and all such further deeds, documents and writings as may be necessary in that behalf;
- (b) Finalize and submit applications to be made to the relevant Court(s), Company Law Tribunal, Government Departments or other regulatory /statutory or other authorities (hereinafter referred as "relevant authorities") or any other relevant person(s) for seeking and obtaining necessary approvals to the said scheme as may be required and to make appropriate representations, submissions or disclosures to the relevant authorities or relevant persons as may be required for the purpose;
- (c) To engage, hire, appoint and remove one or more counsel/advocate/pleader solicitor(s), advocate(s), attorney(s), accountant(s), consultant(s); Valuer(s), merchant bankers and other expert advisors for the implementation of the Scheme and fix their fee(s) and other expense.
- (d) To intimate to the relevant authorities from time to time for giving effect to the scheme.
- (e) To do all such other acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the purpose of the above resolution or to otherwise give effect to the Scheme.



"RESOLVED FURTHER THAT Mr. Manish Anand, Company Secretary of the Company be and is hereby authorised to file necessary forms with the Registrar of Companies."

"RESOLVED FURTHER THAT a Committee (hereinafter referred to "Restructuring Committee") of the Directors namely (i) Mr. Amal Ganguli, (ii) Mr. S. Madhavan and (iii) Mr. R. Srinivasan be and is hereby constituted and authorized to take the following decisions on behalf of the Board:

- a) To approve any amendments/ modifications to the Scheme as may be advised by the Hon'ble High Court or any other authority.
- b) To consider and approve any certificates, undertakings, affidavits and/or any other documents that may be required to be submitted with the Stock Exchanges, Hon'ble High Court and/or any other authorities and to take all decisions for administering the approval of the Scheme from the Stock Exchanges, Hon'ble High Court and other Authorities.
- c) To decide on any matter of law or administration of the Scheme and to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the purpose of the above resolution or to otherwise give effect to the Scheme.
- d) To delegate the powers in favour of the Officer(s) or Employee(s) of the Company or holding Company for implementing the necessary tasks for seeking approval from various authorities and for implementation of the Scheme including filing of necessary Forms/ Returns, documents, papers etc. or any other action, task etc. as they may deem appropriate.
- e) To do all such acts, deeds and things that may be necessary for implementation of the said Scheme."

"RESOLVED FURTHER THAT the presence of any two of the above Directors of the Company shall constitute the quorum for the meeting of the Restructuring Committee."

"RESOLVED FURTHER THAT subject to the relevant provisions of the Companies Act, 1956 and Companies Act, 2013, the Restructuring Committee is permitted to pass any resolution by circulation and the resolution passed by circulation shall have the same effect and force as if the resolution have been passed in the meeting of Restructuring Committee."

"RESOLVED FURTHER THAT all acts, deeds, matters and things done by the Restructuring Committee for the purpose shall have the same effect as if done by the Board of Directors of the Company."

"RESOLVED FURTHER THAT the Common Seal of the Company, required if any, be affixed on any document in connection with the purpose of the above resolutions, in the presence of any one Director and Company Secretary of the Company."

"RESOLVED FURTHER THAT a copy of the resolution certified as true copy be issued by Mr. Manish Anand, Company Secretary of the Company."

Date: October 30, 2015

Place: Noida (U.P.)

For HCL Technologies Limited


Manish Anand
Company Secretary



HCL COMNET LTD.

(A subsidiary of HCL TECHNOLOGIES LTD.)

Corporate Identity Number: U74899DL2001PLC111951

A-10/11, Sector 3, NOIDA 201 301, UP., India

T: +91 120 4362800 F: +91 120 2539799

Registered Office: 806 Siddharth, 96, Nehru Place, New Delhi-110019, India

www.hclcomnet.co.in

www.hclisd.com

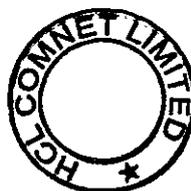
Annexure-1

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF HCL COMNET LIMITED IN ITS MEETING HELD ON SEPTEMBER 29, 2015

"RESOLVED THAT pursuant to Sections 391 to 394 and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Companies Act, 2013 and other applicable provisions, if any, and the Memorandum and Articles of Association of the Company and subject to the consent of members and/ or creditors of the Company, approval of the Hon'ble High Court of Delhi (hereinafter referred to as the "High Court") and Registrar of Companies, National Capital Territory of Delhi & Haryana (hereinafter referred to as the "Registrar") and/ or any other relevant authority empowered to approve the Scheme of Arrangement between HCL Technologies Limited, HCL Comnet Limited & their respective shareholders and creditors (hereinafter referred to as the "Scheme") and such other requisite and other approvals, consents, permissions and/ or sanctions of any appropriate authority, body or institution (hereinafter collectively referred to as "the concerned authority") and subject to such conditions or guidelines, if any, as may be prescribed, stipulated in this regard by the High Court or the concerned authority or any of them, from time to time, while granting such approvals, consents, permissions and/ or sanctions, the Scheme, which inter-alia provides for the transfer of India System Integration Business of HCL Technologies Limited to HCL Comnet Limited ("Company") on a going concern basis for a consideration up to Rs.133 crores be and is hereby approved."

"RESOLVED FURTHER THAT Mr. Manish Anand and Mr. Prahlad Rai Bansal, Directors of the Company be and are hereby severally authorized to undertake various actions in the name of and on behalf of the Company including but not limited to:

- (a) Finalize the Scheme of arrangement including the exact consideration, drafting the notices and explanatory statement under Section 393 of the Companies Act, 1956 for convening/ dispensing the class meetings of the equity shareholders, and creditors with one or more modifications as they may deem fit; application(s)/petition(s) for the scheme of arrangement, any affidavits, pleadings or any other documents and file the same before the Hon'ble High Courts of Delhi, and / or any other relevant court and all such further deeds, documents and writings as may be necessary in that behalf;
- (b) Finalize and submit applications to be made to the relevant Court(s), Company Law Tribunal, Government Departments or other regulatory /statutory or other authorities (hereinafter referred as "relevant authorities") or any other relevant person(s) for seeking and obtaining necessary approvals to the said scheme as may be required and to make appropriate representations, submissions or disclosures to the relevant authorities or relevant persons as may be required for the purpose;
- (c) To engage, hire, appoint and remove one or more counsel/advocate/pleader solicitor(s), advocate(s), attorney(s), accountant(s), consultant(s); Valuer(s), merchant bankers and other expert advisors for the implementation of the Scheme and fix their fee(s) and other expense.
- (d) To intimate to the relevant authorities from time to time for giving effect to the scheme.



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- (e) To do all such other acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the purpose of the above resolution or to otherwise give effect to the Scheme.

"RESOLVED FURTHER THAT Mr. Manish Anand, Director of the Company be and is hereby authorised to file necessary forms with the Registrar of Companies."

"RESOLVED FURTHER THAT a committee (hereinafter referred to "Restructuring Committee") of the following Directors namely (i) Mr. Prahlad Rai Bansal , (ii) Mr. Atul Kumar Jain and (iii) Mr. Manish Anand be and is hereby constituted and authorized to take the following decisions on behalf of the Board:

- a) To approve any amendments/ modifications to the Scheme as may be advised by the Hon'ble High Court or any other authority.
- b) To decide any matter of law or question of law arising in regard to the Scheme to make it effective and to do all such other acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the purpose of the above resolution or to otherwise give effect to the Scheme.
- c) To delegate the powers in favour of the Officer(s) or Employee(s) of the Company or holding Company for implementing the necessary tasks for giving effect to the Scheme including filing of necessary Forms/ Returns, documents, papers etc. or any other action, task etc. as they may deem appropriate.
- d) To do such all such acts, deeds and things that may be necessary for implementation of the said Scheme."

"RESOVLED FURTHER THAT the presence of any two of the above Directors of the Company shall constitute the quorum for the meeting of the Restructuring Committee."

"RESOLVED FURTHER THAT subject to the relevant provisions of the Companies Act, 1956 and Companies Act, 2013, the Restructuring Committee is permitted to pass any resolution by circulation and the resolution passed by circulation shall have the same effect and force as if the resolution have been passed in the meeting of Restructuring Committee."

"RESOLVED FURTHER THAT all acts, deeds, matters and things done by the Restructuring Committee for the purpose shall have the same effect as if done by the Board of Directors of the Company."

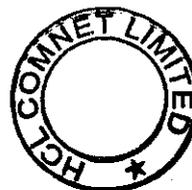
"RESOLVED FURTHER THAT the Common Seal of the Company, required if any, be affixed on any document in connection with the purpose of the above resolutions, in the presence of any two Directors."

"RESOLVED FURTHER THAT a copy of the resolution certified as true copy be issued by any Director and /or Company Secretary of the Company."

Date: October 30, 2015

Place: Noida (U.P.)

For HCL Coment Limited



Manish Anand
Manish Anand
Director

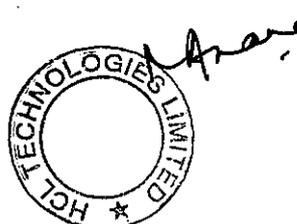
**SCHEME OF ARRANGEMENT
BETWEEN
HCL TECHNOLOGIES LIMITED
AND
HCL COMNET LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

PREAMBLE

This scheme of arrangement is presented under Sections 391 to 394 of the Companies Act, 1956 read with applicable provisions of the Companies Act, 2013, to the extent made effective, and the rules made thereunder for the transfer and vesting of the ISIB Undertaking (as *defined herein after*) of HCL Technologies Limited (“**Transferor Company**”) into HCL Comnet Limited (“**Transferee Company**”), a wholly-owned subsidiary of the Transferor Company as a going concern.

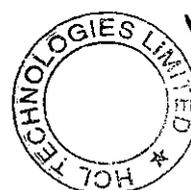
1. BACKGROUND

1.1. The Transferor Company was originally incorporated on November 12, 1991 under the name and style of HCL Overseas Limited under the provisions of the Act (*as defined herein after*). Subsequently, in the year 1994, the name of the Transferor Company was changed to HCL Consulting Limited. Thereafter,



the name of the Transferor Company was again changed to its present name i.e. HCL Technologies Limited and a fresh certificate of incorporation was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana on October 6, 1999. The registered office of the Transferor Company is situated in the State of Delhi. Currently, the Transferor Company primarily derives its revenue from an integrated portfolio of services including Software-led IT solutions, Remote Infrastructure Management, Engineering, R&D Services and Business Process Outsourcing Services. The Transferor Company provides holistic, multi-service delivery in key industry verticals including Financial Services, Manufacturing, Consumer Services, Public Services and Healthcare & Life Sciences. The equity shares of the Transferor Company are listed on BSE Limited (“BSE”) and National Stock Exchange of India Ltd (“NSE”).

- 1.2. The Transferee Company is an unlisted public limited company incorporated on August 8, 2001 under the provisions of the Act (*as defined herein after*) having its registered office situated in the State of Delhi. The Transferee Company is a wholly owned subsidiary of the Transferor Company. The Transferee Company is currently engaged in providing technology services to customers in India. The Transferee Company provides data communication services which includes trading of satellite and non-satellite based communication equipment such as VSAT,



Routers, Switches, Modems etc., application operation services and services related to installation and maintenance of networking equipment. The Transferee Company provides its services across Defence, Financial Services, Government, Telecom, PSU's, Energy and utilities.

2. RATIONALE AND BENEFITS

The Boards of Directors (*as defined herein after*) of the Companies (*as defined herein after*) are of the view that proposed transfer and vesting of the ISIB Undertaking (*as defined herein after*) belonging to the Transferor Company into the Transferee Company as a going concern would, *inter-alia*, have the following benefits:

- a) simplified and transparent business structure of the Transferor Company and the Transferee Company;
- b) more focussed management of the Transferor Company and the Transferee Company;
- c) greater visibility in the performance of the individual businesses;
- d) higher degree of independence as well as accountability with autonomy for each of the business segment;
- e) will thrive in achieving and sustaining competitiveness and development of long-term internal and core competencies;
- f) will also provide for independent collaboration and expansion without committing the existing organization in its entirety; and

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- g) will create a platform to enhance financial flexibility to pursue the next stage of growth.

3. PARTS OF THE SCHEME

This scheme of arrangement is divided into the following parts:

- 3.1. **PART I** deals with the definitions and share capital of the Transferor Company and the Transferee Company;
- 3.2. **PART II** sets out the provisions with respect to transfer and vesting of ISIB undertaking (*as defined herein after*) on going concern basis to the Transferee Company;
- 3.3. **PART III** deals with general terms and conditions applicable to this scheme of arrangement.

PART I

4. DEFINITIONS

In this scheme of arrangement, unless inconsistent with the meaning or context, the following expressions shall have the following meaning:

- 4.1. “**Act**” means the Companies Act, 1956 and applicable rules made there under and includes any amendments, statutory re- enactments, and modification thereof from time to time



and includes the applicable provisions of the Companies Act, 2013, if any, and applicable rules made there under. In a situation where the relevant provisions of the Companies Act, 2013 are notified prior to the Effective Date (*as defined hereinafter*) being achieved, this scheme of arrangement shall be deemed to have been passed under the relevant provisions of Companies Act, 2013 and all references to the Act, sections and rules therein shall be deemed to include a reference to the relevant provisions of the Companies Act, 2013 and the rules made thereunder;

4.2. **“Applicable Law(s)”** means (a) all applicable statutes, enactments, acts of legislature, laws, ordinances, rules, bye-laws, regulations, Listing Agreements (*as defined herein after*), notifications, guidelines or policies of any Relevant Authority (*as defined herein after*); and (b) administrative interpretations, writs, injunctions, directions, directives, judgments, arbitral awards, decree, orders or governmental approvals of, or agreements with, any Relevant Authority (*as defined herein after*), as may be in force from time to time;

4.3. **“Appointed Date”** means July 1, 2015 or such other date as the board of directors of the Transferor Company and the Transferee Company deems fit and proper or such other date as the Hon’ble High Court (*as defined hereinafter*) may direct or such other competent authority, as may be applicable;

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- 4.4. **“Board of Directors”** or **“Board”** means Board of Directors of the Transferor Company and the Transferee Company and shall also include any duly constituted committee(s) thereof, if any or any person authorized by the Board of Directors;
- 4.5. **“Companies”** means the Transferor Company and the Transferee Company, referred collectively;
- 4.6. **“Contract(s)”** shall include all contracts, including but not limited to contracts with the customers (a detailed list of the customer Contracts being executed by the ISIB undertaking is annexed hereto as **Schedule 1**) entered into by the Transferor Company pertaining to the ISIB Undertaking (*as defined hereinafter*) with any Person (*as defined herein after*), agreements, leases, memoranda of undertakings, memoranda of agreement, guarantees, performance guarantees, arrangements, undertakings, deeds, bonds, schemes, arrangements, sales orders, purchase orders or other instruments or understanding of whatsoever nature, whether written or otherwise, to which the Transferor Company is a party, along with all rights, obligations and liabilities pertaining thereto and any other contracts, if any, exclusively pertaining to ISIB Undertaking (*as defined herein after*);



4.7. **“Effective Date”** means the last date of the dates on which all conditions and matters referred to in Clause 17 of this Scheme hereof have been fulfilled. References in this Scheme to “upon coming into effect of this Scheme” or “effectiveness of the Scheme” or “the Scheme becoming effective” shall mean the Effective Date;

4.8. **“High Court” or “Court”** means the High Court of Delhi at New Delhi having jurisdiction in relation to the Companies or such other Court/ bench having jurisdiction over Companies involved in the Scheme, depending on the context and applicability, and the term “High Court” or “Court” shall be interpreted accordingly and shall include National Company Law Tribunal, under the Act, as may be applicable;

4.9. **“India System Integration Business” or “ISIB Business”** means the India business of IT infrastructure management services involving managing customers and IT assets carried on by the Transferor Company;

4.10. **“ISIB Undertaking”** means the ISIB Business of the Transferor company comprising inter-alia, all the assets and liabilities relating thereto, as on the Appointed Date, which shall mean and include (without limitation):

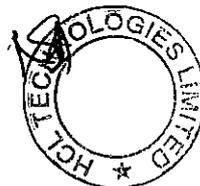


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- a. All assets (wherever situated), whether movable or immovable, tangible or intangible, leasehold or freehold, including all land, buildings, plant and machinery, offices, capital work in progress, furniture, fixtures, office equipment, investments, current assets, loans and advances, deposits, receivables, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, bills of exchange, letters of intent and loans and advances appearing in the books of accounts of the Transferor company pertaining to or relatable to the ISIB Business.
- b. All rights, entitlements, approvals, licenses, registrations, certifications, guarantees, performance guarantees, warranty service entitlements, consents, permissions, brands, logos, engagements, arrangements, municipal permissions, cash balances, financial assets, funds belonging to or proposed to be utilized for the ISIB Business, bank balances, balances with Government, excise department, tax authorities both state and central government bank accounts, security deposits, privileges, recoverable, receivables, advantages, all other rights and benefits, in connection with or relating to the ISIB Business.



- c. All secured and unsecured debts, liabilities present or future (including contingent liabilities), duties, undertakings and obligations pertaining to the ISIB Business of every kind, nature and description whatsoever and howsoever arising in connection with or relating to the ISIB Business.
- d. All existing and future contracts, RFPs, bids, responses to EOI, memorandum of understanding, entitlements, industrial and other licenses, municipal permissions, approvals, consents, tenancies in relation to any joint venture or other arrangement which may be entered into by the Transferor company in respect of business relating or incidental to the ISIB Business.
- e. All the past track record relating to the ISIB Business, including without limitation, the profitability, production volumes, experience, credentials (including awards and accolades), certifications, accreditations and market share pertaining to or relating to the ISIB Business.
- f. All employees of the Transferor Company employed who are substantially engaged in the ISIB Business as identified by the Board of Directors of the Transferor Company.



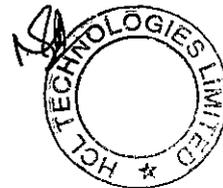
g. All records, files, papers, computer programs, manuals, data, catalogues, quotations, sales and advertising materials, label lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form in connection with or relating to the ISIB Business.

- 4.11. **“IT Act”** means the Income Tax Act, 1961, as amended from time to time read with rules and regulations made there under and shall include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force;
- 4.12. **“Listing Agreement”** means: (a) the listing agreement executed between the Transferor Company and BSE; and (b) listing agreement executed between the Transferor Company and NSE, in each case, as amended from time to time;
- 4.13. **“Person”** includes any individual, trust, entity, joint venture, company, corporation, partnership (whether limited or unlimited), proprietorship or other enterprise, hindu undivided family, union, association of persons, government (central, state or otherwise), or any agency, department, authority or political sub-division thereof, and shall include their respective successors and in case of an individual shall include his/her

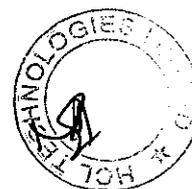


legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees and the beneficiary or beneficiaries from time to time;

- 4.14. **“Relevant Authority”** means any regulatory governmental legislative, administrative, local or supervisory body or banking authority or agency or commission, quasi-regulatory agency or body (*including any stock or commodity exchange*), or board, bureau, judicial or arbitral body having jurisdiction in India or any part thereof, including but not limited to the stamp authorities, Competition Commission of India, Reserve Bank of India, SEBI (*as defined herein after*), BSE and NSE, along with the authorities before which appeals against the decisions made by any of the foregoing may be brought and shall include the Tax Authority (*as defined herein after*);
- 4.15. **“Remaining Business of Transferor Company”** means all undertakings, businesses, activities and operations of the Transferor Company other than the ISIB Business;
- 4.16. **“SEBI”** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;



- 4.17. **“SEBI Circular”** means Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 and Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, each issued by the SEBI, as amended or replaced from time to time;
- 4.18. **“Scheme” or “the Scheme” or “this Scheme”** means this scheme of arrangement in its present form or with any modifications made under Clause 16 of the Scheme as approved or directed by the High Court or any other appropriate authority;
- 4.19. **“Tax Authority”** means any revenue, customs, fiscal, governmental, statutory, state, provincial, local governmental or municipal authority, body or Person responsible for taxing a Person;
- 4.20. **“Transferee Company”** means HCL Comnet Limited, a public limited company incorporated under the provisions of Act, having its registered office situated at 806, Siddharth 96, Nehru Place, New Delhi-110019. The Transferee Company is the wholly-owned subsidiary of the Transferor Company;
- 4.21. **“Transferor Company”** means HCL Technologies Limited, a public limited company incorporated under the provisions of the Act, having its registered office situated at 806, Siddharth 96, Nehru Place, New Delhi-110019;



4.22. Interpretation

- a) In this Scheme, unless the context otherwise requires:
- i. words of any gender are deemed to include the other genders;
 - ii. words using the singular or plural number also include the plural or singular number, respectively;
 - iii. the terms "hereof", "herein", "hereby", "hereto" and derivative or similar words refer to this entire Scheme or specified clauses, as the case may be;
 - iv. the term "Clause" refers to the specified clause of this Scheme;
 - v. references to any legislation or law or to any provision thereof shall include references to any such law as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted, or to any law which replaces it, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision; and
 - vi. the schedules hereto shall form an integral part of this Scheme.



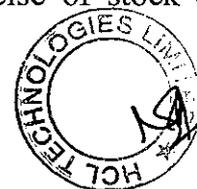
b) Headings, sub-headings, italics and bold typeface are only for convenience and shall be ignored for the purposes of Interpretation.

5. SHARE CAPITAL

5.1. Share capital of the Transferor Company as on June 30, 2015 is as under:

| Authorized Capital | As at June 30, 2015 (Rs.) |
|---|--|
| 1,500,000,000 Equity Shares of Rs. 2/- each | 3,000,000,000 |
| Total | 3,000,000,000 |
| Issued, Subscribed and Paid-up Capital | |
| 1,405,978,418 Equity Shares of Rs. 2/- each fully paid-up | 2,811,956,836 |
| Total | 2,811,956,836 |

5.2. There has been an alteration in the share capital structure of the Transferor Company from the date mentioned above up to the date of approval of this Scheme by the Board of Directors of the Transferor Company on account of allotment of 3,42,280 equity shares of Rs. 2/- each against the exercise of stock options



pursuant to the Employees' Stock Option Plan of the Transferor Company. Accordingly, the Issued, Subscribed and Paid-up Share Capital of the Transferor Company as on the date of approval by the Board of Directors is as under:

| Authorized Capital | As at June 30, 2015 (Rs.) |
|---|--|
| 1,500,000,000 Equity Shares of Rs. 2/- each | 3,000,000,000 |
| Total | 3,000,000,000 |
| Issued, Subscribed and Paid-up Capital | |
| 1,406,320,698 Equity Shares of Rs. 2/- each fully paid-up | 2,812,641,396 |
| Total | 2,812,641,396 |

5.3. The share capital of the Transferee Company as on June 30, 2015 is as under:

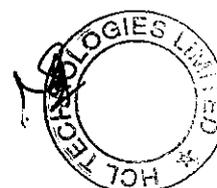
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| Authorized Capital | As at June 30, 2015 (Rs.) |
|--|--|
| 11,00,000 Equity Shares of Rs. 10 each | 11,000,000 |
| Total | 11,000,000 |
| Issued, Subscribed and Paid-up Capital | |
| 949,900 Equity Shares of Rs. 10 each fully paid-up | 9,499,000 |
| Total | 9,499,000 |

5.4. There has been no alteration in the share capital structure of Transferee Company from the date mentioned above till the date of approval of this Scheme by the Board of Directors of the Transferee Company.

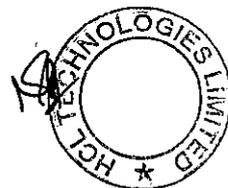
5.5. It is provided that until this Scheme becomes effective, the Transferor Company and the Transferee Company are free to alter their authorized, issued, subscribed or paid up share capital as required by their respective business requirements, subject to the necessary approvals from their respective Boards and members or any other Person, if required.



PART-II
TRANSFER AND VESTING OF ISIB UNDERTAKING AS
A GOING CONCERN

6. TRANSFER AND VESTING OF ISIB UNDERTAKING

- 6.1. Upon coming into effect of this Scheme and with effect from the Appointed Date, the ISIB Undertaking belonging to the Transferor Company shall stand transferred and vested into the Transferee Company, as a going concern without any further act, deed, instrument, matter or thing, together with its assets, properties, liabilities, rights, benefits, obligations, privileges and interests therein, subject to existing charges, if any. The transfer of the ISIB Undertaking under this Scheme shall be in compliance with the IT Act.
- 6.2. Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, including in relation to the mode of transfer or vesting, all immovable property(ies), if any, relating to the ISIB Undertaking, including tangible assets, land together with building, plant and machinery and structures standing thereon, if any (*whether freehold, leasehold, leave and licensed, right of way, tenancies and/or otherwise*), capital work-in-progress and all documents of title, receipts and easements in relation thereto, all rights, covenants, continuing rights, title and interest in



connection with the said immovable properties shall, unless otherwise agreed between the Companies, be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in the Transferee Company in the mode and manner as prescribed in this Scheme on a going concern basis pursuant to the provisions of Section 391 to 394A of the Act and all other applicable provisions of the Act so as to become, on and from the Appointed Date, the immovable property(ies) including tangible assets, land together with building, plant and machinery and structures standing thereon, if any, of the Transferee Company. Upon the coming into effect of the Scheme, the title to such immovable properties shall be mutated and transferred by Relevant Authorities, in accordance with terms hereof, in favour of the Transferee Company. It is expressly clarified that in so far any leasehold properties forming part of the ISIB Undertaking, if any, are concerned, the Transferee Company may enter into fresh lease agreements or terminate any lease agreements that are already in existence with any third party.

- 6.3. Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, including in relation to the mode of transfer or vesting, all rights, obligations, benefits, titles, interest and privileges in the movable, tangible and intangible properties, assets including plant, machinery and equipment, vehicles, bank balances, cash and cash



MS

equivalents, all trade receivables (*whether billed or unbilled*) including but not limited to all loans and advances, whether long-term or short-term, secured or unsecured, recoverable in cash or kind or value to be received including interest accrued thereon, all deposits whether with government or semi government, local authorities or any other institution and bodies, amounts receivables from Central Government/ State Government(s) under any of their scheme/plans, balances recoverable from government authorities, if any, all investments including non-current investments of all kinds either in equity shares of listed or unlisted companies or any other investments, if any, made by the Transferor Company, office equipment's, electrical installations, deferred costs, prepaid expenses, deposits, advance suppliers, employee advances, finance lease receivable, capital advances, offices, inventories including but not limited to computers, software, furniture & fixtures, other current assets, capital work-in-progress, benefits arising of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company, intellectual property (*whether registered or unregistered*), if any, pertaining to the ISIB Undertaking, shall be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in the Transferee Company in the mode and manner as prescribed in this scheme on a going concern basis pursuant to the provisions of Section 391 to 394A of the Act and all other applicable provisions of the

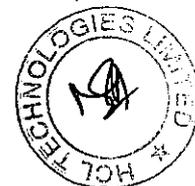


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Act so as to become, on and from the Appointed Date, the rights, obligations, benefits, titles, interest and privileges of the Transferee Company. It is expressly clarified that all trade receivables due on account of contracts pertaining to the ISIB Business fully executed by the Transferor Company prior to the Appointed Date shall be to the account of the Transferor Company and shall not form part of the ISIB Undertaking and shall not be transferable to the Transferee Company.

6.4. All the assets, as mentioned herein above, that have accrued or which may accrue to the Transferor Company pertaining to the ISIB Undertaking on or after the Appointed Date shall pursuant to the provisions of Section 394 and other applicable provisions of the Act and without any further act, instrument or deed, be transferred to and stand vested in and/or be deemed to have been transferred to and stand vested in and be available to the Transferee Company upon the Scheme becoming effective.

6.5. Upon the Scheme becoming effective, in respect of such of the assets, as mentioned herein above, of the Transferor Company pertaining to the ISIB Undertaking as are movable in nature and are capable of being transferred by manual delivery or transferring possession or by endorsement and/ or delivery shall be transferred as such with the end and intent that the property therein upon such transfer become the property, assets, rights,



title, obligations, privileges, benefits, interest and authorities of the Transferee Company in pursuance of section 394 and other applicable provisions of the Act without any further act, instrument or deed.

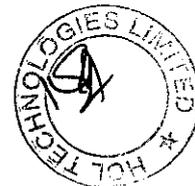
6.6. With effect from the Appointed Date and upon coming to effect of the Scheme:

- a) All licenses, contracts, rights, claims, including refund claims lying with any Relevant Authority which may accrue to the Transferor Company pertaining to the ISIB Undertaking, if any, shall, pursuant to the provisions of section 394 and other applicable provisions of the Act, without any further act, instrument or deed, shall stand transferred to and vested in and/or be deemed to have been transferred to and stand vested in and be available to the Transferee Company. The Transferee Company shall file the relevant intimations, if required, for the record of the Relevant Authority who shall take them on file and record the change of the name pursuant to this Scheme becoming effective.
- b) The entire taxes, direct and indirect or any other taxes, including but not limited to prepaid taxes being tax deducted at source (TDS)/advance tax, MAT credits, sales tax, value added tax (VAT) and also self-assessment



taxes, if any, paid by the Transferor Company under the IT Act or any other statute, pertaining to the ISIB Business for the period commencing from the Appointed Date, shall be deemed to be the taxes paid by or for the benefit of the Transferee Company and credit for such taxes shall be allowed to the Transferee Company notwithstanding that certificates or challans or orders for such taxes are in the name of the Transferor Company and not in the name of the Transferee Company. The Transferee Company shall, after the Effective Date, be entitled to file with the Relevant Authority the relevant return(s) as required under the IT Act or under Applicable Laws for the period after the Appointed Date notwithstanding that the period for filing such return may have elapsed. Further, the Companies shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by the Transferor Company for any relevant year, if so necessitated or consequent to this Scheme, notwithstanding that the time prescribed for such revision may have elapsed.

- c) all kinds of intellectual property rights, if any, (*whether or not registered*) with the Relevant Authority concerned or applications submitted at any time on or before the Effective Date by the Transferor Company or by the employees / officers / directors of the Transferor



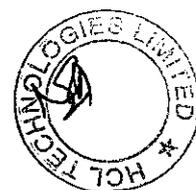
Company for the benefit or which may pertain to the ISIB Undertaking, if any, shall stand transferred to and vested along with all the undertakings in the name of the Transferee Company without any further act, instrument or deed.

- d) The past track record of the Transferor company relating to the ISIB Business, including without limitation, the profitability, production volumes, experience, credentials and market share, shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes including for the purpose of eligibility, standing, evaluation and participation of the Transferee Company in all existing and future bids, tenders and contracts of all authorities, agencies and clients.
- e) Upon the Scheme becoming effective, all bids/tenders made or applied for by the Transferor Company pertaining to the ISIB Business before any third party or any other Person shall be assigned/transferred/novated to the Transferee Company by the Transferor Company without requiring any further act, instrument or deed and the same shall not require any approval from any third party or any other Person. The relevant intimation(s) of the aforesaid shall be given by the Companies, as may be required, to any third party or any other Person before



whom the bid/tender is made or applied for. It is expressly clarified that until the time the said bids/tenders are not assigned/transferred/novated, the Transferor Company, if so authorized by the applicable laws, bye-laws, regulations, rules etc. for the time being in force of any third party or any other Person before whom the bid is made, shall execute the job for and behalf of the Transferee Company and shall on regular basis transfer all properties, rights and obligations thereof to the Transferee Company.

- f) Upon the Scheme becoming effective and until the time the contracts and licenses pertaining to the ISIB Undertaking are not transferred (*either by way of novation or assignment or endorsed or otherwise*) by the Relevant Authority in the name of the Transferee Company, the Transferor Company shall carry on the business pertaining to the ISIB Undertaking on behalf of and in trust for the Transferee Company. It is expressly clarified that any income, privilege, obligations, rights, entitlements, losses, benefits, expenditure etc., occurring after the Effective Date and until the time the Contracts and licenses pertaining to the ISIB Undertaking are not transferred in favour of the Transferee Company, shall on regular basis be passed on by the Transferor Company to the Transferee Company.



g) Upon the Scheme becoming effective and until such time the names of the bank accounts of the Transferor Company in relation to the ISIB Undertaking, if any, are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in relation to the ISIB Undertaking, in so far as may be necessary. The banks shall continue to honour the cheques, other negotiable instruments, payment orders and instructions issued/ signed by the Transferor Company or signed by the existing signatories of the Transferor Company for payment after the Effective Date. Similarly, all cheques and other negotiable instruments received in the name of the Transferor Company in relation to the ISIB Undertaking, w.e.f. the Effective Date and until such time shall be for and on account of the Transferee Company and accordingly to be accepted by the bankers of the Transferor Company and credited to the account of the Transferee Company.

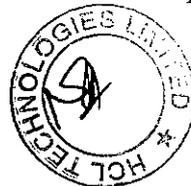
6.7. Upon coming into effect of the Scheme and with effect from the Appointed Date:

a) All secured or unsecured debts, liabilities including but not limited to deferred tax liabilities, contingent liabilities, current liabilities, non-current liabilities,



statutory payables, TDS payable, expenses payable and other current liabilities or other advances received, whether disclosed or undisclosed, whether accounted for in the books of accounts or not, duties, taxes, statutory expenses, short-term and long-term provisions and obligations, if any, of the Transferor Company along with any charge, encumbrance, lien or security thereon, if any, in relation to the ISIB Undertaking shall also be vested or deemed to be vested, without any further act, instrument or deed, to the Transferee Company, pursuant to the provisions of Section 394 and other applicable provisions of the Act so as to become the debts, liabilities, duties and obligations of the Transferee Company. Further, it shall not be necessary to obtain separate consent of any Person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.

- b) Where any of the debts, liabilities, obligations and duties of the Transferor Company pertaining to the ISIB Undertaking on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.



c) All loans raised and utilized and all debts whether by way of debentures, bank loan or otherwise, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company in relation to the ISIB Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 and other applicable provisions of the Act, without any further act, instrument or deed shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company.

6.8. Upon the Scheme becoming effective subject to Applicable Laws, all license(s), permission(s), approval(s), registration(s) with any Relevant Authority, wherever applicable, and/or consents held by the Transferor Company pertaining to the ISIB Undertaking, and not surrendered, shall stand vested in the Transferee Company, with effect from the Appointed Date, without any further act, deed, instrument, matter or thing and shall be appropriately registered with the concerned Relevant



Authority in favour of the Transferee Company. The benefits of all license(s), permission(s), approval(s), registration(s) with any Relevant Authority pertaining to the ISIB Undertaking, wherever applicable to the Transferor Company shall vest in and become available to the Transferee Company pursuant to the Scheme becoming effective. However, if any license(s), permission(s), approval(s), registration(s) with any Regulatory Authority, wherever applicable, and/or consents held by the Transferor Company pertaining to ISIB Undertaking that are not required by the Transferee Company, will, if required, under Applicable Laws, be cancelled or surrendered by the Transferor Company.

- 6.9. It is expressly clarified that in case any question arises as to whether any particular asset or liability, as mentioned above and/or employee pertains or does not pertain to the ISIB Undertaking or even pertains to ISIB Business but whether or not forms part of the ISIB Undertaking, the same shall be decided by mutual agreement between the Board of Directors of the Companies or any other person authorised by the Board in that behalf.



7. CONSIDERATION

7.1. Subject to the terms and conditions of this Scheme and as may be determined by the Board of Directors of the Companies, in consideration for the transfer and vesting of the ISIB Undertaking on going concern basis by the Transferor Company to the Transferee Company in terms of this Scheme, the Transferee Company shall be required to pay consideration of INR 132 Crores (Indian National Rupees One Hundred Thirty Two Crores).

7.2. The Consideration as stated above in clause 7.1 of the Scheme shall upon the Scheme becoming effective, be paid in cash unless otherwise agreed to be discharged in any other mode or combination of one or more modes by the Board of Directors of the Companies.

8. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

8.1. The Transferor Company shall carry on the ISIB Business and other incidental matters with due prudence in the same manner as carried before and shall not without the prior written consent of the Transferee Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose of the ISIB Undertaking or any part thereof except in the ordinary course of business or if the same is expressly permitted by this Scheme.



Notwithstanding the above, the Transferor Company will not, in any event, transfer or otherwise dispose of or create any form of encumbrance in any manner over the shares held by the Transferor Company in the Transferee Company, without prior approval of the Transferee Company in this regard.

8.2. Save and except as otherwise specified in this Scheme, any income or profit accruing or arising to the Transferor Company or expenditure or losses incurred or suffered by the Transferor Company pertaining to the ISIB Undertaking from the Appointed Date and till the Effective Date shall for all purposes be treated as the income or profits or losses or expenditures, as the case may be, of the Transferee Company.

8.3. All estate(s), property(ies) asset(s), benefit(s), privilege(s), right(s), obligation(s), title(s), interest(s) and authority(ies), if any, pertaining to the ISIB Undertaking, accrued to and/or acquired by the Transferor Company after the Appointed Date and prior to the Effective Date shall have been or deemed to have been accrued to and/or acquired for and on behalf of the Transferee Company and shall upon the coming into effect of this Scheme, pursuant to the provisions of section 394 and other applicable provisions of the Act, without any further act, instrument or deed be and stand transferred to and/or vested in or be deemed to have been transferred to and/or vested in



the Transferee Company to that extent and shall become the estate(s), asset(s), property(ies), obligation(s), right(s), title(s), interest(s) and authority(ies) of the Transferee Company.

9. EMPLOYEES

9.1. Upon the Scheme becoming effective, all staff, workmen and employees engaged in ISIB Business of the Transferor Company on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Appointed Date without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferor Company shall not be less favourable than those applicable to them in the Transferor Company on the Effective Date.

9.2. It is expressly stated that the Transferee Company agrees that the services of all such employees with the Transferor Company up to the Effective Date shall be taken into account for the purposes of all retirement benefits to which they may be eligible in the Transferor Company on the Effective Date. Further, it is expressly clarified that all the employees so transferred pursuant to the Scheme becoming effective and to whom employees' stock options ("ESOPs") pertaining to equity shares of the Transferor Company have been vested shall continue to be eligible to exercise the rights vested with them in respect of the ESOPs.



9.3. It is expressly clarified that upon the Scheme becoming effective, all employees of Transferor Company who have been transferred with the ISIB Business to the Transferee Company will contribute to the Provident Fund, or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen of the Transferee Company by the Transferee Company. All existing amounts, whether paid or outstanding, under the Provident Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen of the Transferor Company, pertaining to the employees being transferred with the ISIB Business to the Transferee Company, shall at an appropriate stage be transferred to the relevant funds of Transferee Company subject to the required approval/intimation to the Provident Fund Authorities and/or other appropriate authorities, if any and until such time, shall be maintained separately by the Transferor Company. The Board of Directors of the Transferee Company and the Trustees of the respective Trusts of the Transferee Company shall be entitled to take all steps as may be prudently necessary to implement the above. Further, the services of the employees of the Transferor Company transferred with the ISIB Business to the Transferee Company will be treated as having been continuous for the purpose of the aforesaid schemes/fund.



9.4. It is expressly provided that, upon the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of the Transferor Company shall become the trusts/ funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Fund or Funds shall become those of the Transferee Company.

9.5. The Transferee Company will file the relevant intimations with the Relevant Authorities concerned, for actions arising out of Clause 9.3, who shall take the same on record and endorse the name of the Transferee Company in place of Transferor Company.

10. CONTRACTS, DEEDS, RESOLUTIONS, ETC.

10.1. Save as otherwise provided in this Scheme, all contracts, bids submitted, deeds, understandings, guarantees, resolutions, instruments and writings and benefits of whatsoever nature, if any, pertaining to the ISIB Undertaking, to which the



Transferor Company is a party and subsisting or having effect on the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

11. LEGAL PROCEEDINGS

11.1. If any suit, appeal, litigation or other proceedings of whatsoever nature by or against the Transferor Company in relation to the ISIB Undertaking is pending before the Relevant Authority or elsewhere, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the ISIB Undertaking or anything contained in this Scheme, but the said suit, appeal, litigation or other legal proceedings, as the case may be, be continued, prosecuted and enforced, as the case may be, by or against the Transferee Company and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Company, as if this Scheme has not been made. In a situation where said suit, appeal, litigation or other legal proceedings referred to herein require the Transferor Company and/or the Transferee Company to be jointly treated as parties thereto, the Transferee Company shall be added as party to such proceedings.



11.2. On and from the Effective Date, the Transferee Company may, if required, initiate any legal proceedings in relation to ISIB Undertaking in its own name, whether pertaining to the period prior to the Appointed Date or thereafter.

12. ACCOUNTING TREATMENT

12.1. Accounting treatment in the books of the Transferor Company:

Upon the Scheme becoming effective, the Transferor Company shall account for the Scheme and its effects in its books of account with effect from the Appointed Date as under:

- a) The assets and liabilities of the Transferor Company shall stand reduced to the extent of value of the ISIB Undertaking transferred to the Transferee Company.

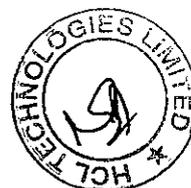
- b) The Transferor Company shall record the amount of Consideration as "Receivable from the Transferee Company" in its books of accounts. On receipt of Consideration from the Transferee Company, either by way of cash or in any other mode as the Board of the Companies mutually agree, the Consideration so received shall be appropriately recorded in the books of account of the Transferor Company as per the prevalent accounting standards as applicable to the Transferor Company.



12.2. Accounting treatment in the books of the Transferee Company:

Upon the Scheme becoming effective, the Transferee Company shall account for the Scheme and its effects in its books of account with effect from the Appointed Date as under:

- a) All the assets and liabilities related to the ISIB Undertaking as appearing in the books of accounts of the Transferor Company as on the Appointed Date shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company, as per the applicable accounting standards and as determined by the Board;
- b) The excess or deficit in the value of assets so recorded, if any, by the Transferee Company over: (a) the liabilities of the ISIB Undertaking so recorded by the Transferee Company or vice versa and (b) the consideration as detailed in Clause 7.1 of this Scheme paid by the Transferee Company to the Transferor Company shall be appropriated in the books of the Transferee Company either as capital reserve or goodwill, if required.



13. SAVING OF CONCLUDED TRANSACTIONS

13.1. The transfer and vesting of the asset(s), liability(ies), rights, interests, obligations, privileges, benefits, reserves, provisions, and obligation(s) relating to the ISIB Undertaking of the Transferor Company, as described under this Scheme and the continuance of the proceedings by or against the Transferee Company, under Clause 11 of this Scheme above shall not in any way affect any transaction(s) or proceeding(s) in relation to the ISIB Undertaking already completed by the Transferor Company, on and after the Appointed Date to the end and intent that the Transferee Company accepts all acts, deeds, matters and things done and executed by and/ or on behalf of the ISIB Undertaking, as acts, deeds and things done and executed by and on behalf of the Transferee Company.

14. REMAINING BUSINESS TO CONTINUE WITH TRANSFEROR COMPANY

14.1. The Remaining Business and all assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Transferor Company.

14.2. All legal, taxation or other proceedings whether civil or criminal by or against the Transferor Company under any statute or Applicable Law, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Remaining Business (*including those*

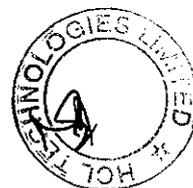


relating to any property, right, power, liability, obligation or duties of the Transferor Company in respect of the Remaining Business) shall be continued and enforced by or against the Transferor Company after the Effective Date. The Transferee Company shall not in any event be responsible or liable in relation to any such legal, taxation or other proceeding against the Transferor Company, which may relate to the Remaining Business.

14.3. If proceedings are taken against the Transferee Company in respect of the matters referred to under clause 14.2 above, it shall defend the same in accordance with the advice of the Transferor Company and at the cost of the Transferor Company, and the latter shall reimburse and indemnify the Transferee Company against all liabilities and obligations incurred by the Transferee Company in respect thereof.

14.4. With effect from the Appointed Date and up to and including the Effective Date:

- (a) the Transferor Company shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Business for and on its own behalf;
- (b) all profits accruing to the Transferor Company thereon or losses arising or incurred by it (*including the effect of taxes, if any, thereon*) relating to the Remaining Business shall,



for all purposes, be treated as the profits or losses, as the case may be, of the Transferor Company; and

- (c) All assets and properties acquired by the Transferor Company in relation to the Remaining Business on and after the Appointed Date shall belong to and continue to remain vested in the Transferor Company.

PART III

GENERAL TERMS AND CONDITIONS

15. APPLICATION TO HIGH COURT

15.1. The Transferor Company and the Transferee Company shall file necessary applications / petitions before the High Court under section 391 to 394 of the Act and other applicable provisions, if any under the Act or Applicable Laws, for the sanction of this Scheme.

16. MODIFICATIONS/AMENDMENTS TO THE SCHEME

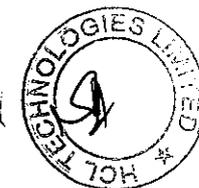
16.1. The Transferor Company and the Transferee Company by their respective Board, may assent to/ make and/or consent to any modifications/ amendments to this Scheme or to any conditions or limitations that the High Court and/or any other Relevant Authority or Person under any Applicable Law(s) may deem fit to direct or impose, or which may



otherwise be considered necessary, desirable or appropriate by them. The Companies by their respective Board's be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, whether by reason of any directive or orders of Relevant Authority or otherwise however arising out of or under or by virtue of the Scheme and/ or any matter concerned or connected therewith.

16.2. It is expressly clarified that the term Relevant Authority, under Clause 16.1 above, save as otherwise provided in this Scheme, shall specifically include BSE and NSE with which the Transferor Company shall file a copy of this Scheme along with other documents as specified under the Listing Agreement.

16.3. If any part of this Scheme is considered invalid, ruled illegal by any court of a competent jurisdiction or Relevant Authority, or unenforceable under present or future law(s), then such part shall be severable from the remainder of the Scheme, and the Scheme shall not be given effect, unless the deletion of such part shall cause this Scheme to become materially adverse to any of the Companies or their respective members or creditors, in which case the Scheme will be modified to such extent, as will best preserve for them the benefits and obligations of the Scheme, including but not limited to such part.



17. CONDITIONALITY OF THE SCHEME

17.1. The Scheme is and shall be conditional upon and subject to:

- a) The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors and/or any class thereof of the Transferor Company and the Transferee Company as prescribed under the Act, Listing Agreement and/or SEBI Circulars or as may be directed by the High Court or any other Relevant Authority as may be applicable except to the extent as may be waived by the Court and/or Relevant Authority as may be applicable.
- b) The approval of the public shareholders of the Transferor Company in accordance with the provisions of the SEBI Circulars issued in this behalf, if required.
- c) The sanction of this Scheme by the High Court under Section 391 to 394 and other applicable provisions of the Act.
- d) Certified copy of the order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, National Capital Territory of Delhi and Haryana by the Companies.



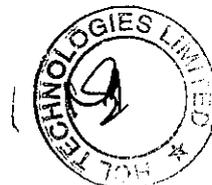
e) The requisite(s), consent(s), approval(s) or permission(s) of Stock Exchanges, if any, which in terms of the SEBI Circulars or Listing Agreement may be necessary for the implementation of this Scheme.

18. EFFECT OF NON-RECEIPT OF APPROVALS

18.1. In the event any of the said sanctions and approvals referred to in Clause 17 of this Scheme above not being obtained and/or the Scheme not being sanctioned by the High Court or such other appropriate authority, if any, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated herein under or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as if specifically provided in the Scheme or as may otherwise arise in law and agreed between some or all of the respective parties to this Scheme.

19. COSTS, CHARGES AND EXPENSES

19.1. All costs, charges, taxes including duties, levies and other expenses, if any (*save as expressly otherwise agreed*) arising out of, in connection to or in relation to or incurred in carrying out and implementing this Scheme and to put it into operation shall be borne and paid by the Transferee Company. It is



expressly clarified that wherever the chargeability of duties, taxes etc. are dependent upon the order of the High Court, being instrument in nature of conveyance, then in that case, the order of the High Court shall be considered as the principal instrument, being finally executed, for the purposes of payments of duties, fees, cess, taxes etc., if any, and that the Transferee Company shall be liable to pay all such duties, fees, cess, taxes etc., if any, in this regard.



Schedule –I

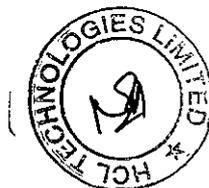
| S. No. | Customer Name | PO/ Agreement Reference |
|---------------|---|--|
| 1 | Assam Police Housing Corporation Ltd | Additional order vide LOI CID XII/SCRV(COMP)/CCTNS/7408/PT-II/19 dated 10/02/2012 |
| 2 | Assam Police Housing Corporation Ltd | Agreement dated 21st Mar'2012 + Additional Orders |
| 3 | Axis Bank Ltd | AXISIT/ 15-16/00116 dated 7th May'15 |
| 4 | Axis Bank Ltd | Agreement dated 11th Dec'14 |
| 5 | Bharat Electronics Ltd | License PO - BEPO/C4/4900199288 dated 23-12-2014 |
| 6 | Bharat Electronics Ltd | Services PO - BEPO/S74/4800019715 dated 23-12-2014 |
| 7 | Centre for Railway information Systems | PO- 2015/CRIS/1068/1113499 dated 27-04-2015 (COA) |
| 8 | Centre for Railway information Systems | 2014/cris/1113424 dated 31.10.2014 (MDAS) |
| 9 | Centre for Railway information Systems | 2014/cris/1113432 dated 26.11.2014 (TIBCO) |
| 10 | Comviva Technologies Ltd | 28197 dated 31-5-2015 (PO end date 30-sep-2015) |
| 11 | Container Corporation of India Ltd | CON/IT/1221/14/46 dated 13/03/2015 |
| 12 | Container Corporation of India Ltd | CON/IT/1199/13/29 dated 28/10/13 |
| 13 | Container Corporation of India Ltd | CON/IT/1219/14/44 dated 03/02/15 |
| 14 | Container Corporation of India Ltd | CON/IT/1195/12/12 dated 08/06/12 |
| 15 | Container Corporation of India Ltd | CON/IT/1217/14/20 dated 18/07/14 |
| 16 | Container Corporation of India Ltd | CON/IT/1220/14/37 dated 15/12/14 |
| 17 | Dena Bank | HO/ITD/0350/2015 dated 18.06.2015 |
| 18 | Dakshin Haryana Bijli Vitran Nigam Ltd | Agreement dated 23/11/12 + Additional orders/ CRs |
| 19 | Dakshinanchal Vidyut Vitran Nigam Ltd | Agreement dated 22/02/2010 + Additional Orders/ CR |
| 20 | Dedicated Freight Corridor Corporation of India Ltd | DFCCIL/IT/SI/2011 dated 29/03/12 + Additional Orders/ CRs |
| 21 | Electronics Corporation of India Ltd | H-3334/39-J/0202 dated 06-01-2015 |
| 22 | Export Credit Guarantee Corporation of India Ltd | Agreement dated 30/06/2010 + Additional Orders/ CRs |
| 23 | GAIL (India) Ltd | W/O GAIL/NOID/14140/5800001993/C&P/20054290 dated 19.05.2015 |
| 24 | Geological Survey of India | 1649A/101/8/COS/PUR/AP&MD/26B-2014 dated 12/09/14 |
| 25 | GVK Biosciences Pvt. Ltd. | CRPHDM15-15190111 dated 16 jun-14 |
| 26 | HCL Infosystems Ltd | RVPNL - HCL/2005/05 dated 10/09/2005, UID - 7000029625 dated A14/01/2015, Agreement dated 01/04/2010, 28/03/2012 |
| 27 | HCL Infotech Ltd | BSNL - 7000026353 dated 22/04/2014, 35000481 dated 04/08/2009, 7000012821 dated 24/07/12 |
| 28 | HDFC Bank Limited | PO/HCL/TECH/009148/2014-15 dated 20-mar-2015 valid till 31-march-16 |



| S.No. | Customer Name | PO/ Agreement Reference |
|-------|---|---|
| 29 | HDFC Bank Limited | Agreement dated 23-dec-2010 |
| 30 | HT Media Ltd | Agreement dated 23/09/2014 |
| 31 | ICICI Bank Ltd | IT/PO/2014-15/035425 dated 20 feb-2015 (PO end date - 31-jan-16) |
| 32 | Indian Bank/ Indian Bank Head Office | Purchase order -1 dated 23-6-2015 |
| 33 | Indian Railway Catering and Tourism Corporation Ltd | (APPS & SI)2012//RCTC/ERTD/ENHANCED E-TKT SYSTEM/31-M/PO/01 dated 14/11/13 |
| 34 | ITI Limited | PG484LO15AI dated 30 dec-2014 |
| 35 | Jamia Millia Islamia University | F.NO. C-67(A)/PICO/RO/JMI/2013 dated 25/06/2013 |
| 36 | Madhya Pradesh Computerization of Police Society | Agreement dated 27/09/2012 + Additional Orders/ CRs |
| 37 | Madhyanchal Vidyut Vitran Nigam Ltd | Ref No. 22/MD/MVVNL/RAPDRP dated 24/02/2010 + Additional Orders/ CRs |
| 38 | Mankind Pharma Limited | dated 05/04/2014 |
| 39 | National Informatics Centre | RC - NIC/TPS/2013/37/RC/J/01 dated 24/03/2015 |
| 40 | National Informatics Centre | RC - NIC/TPS/2013/37/RC/K/01 dated 24/03/2015 |
| 41 | National Informatics Centre | RC - NIC/TPS/2013/37/RC/N/01 dated 24/03/2015 |
| 42 | National Informatics Centre | RC - NIC/TPS/2014/20/RC/01 dated 12/02/2015 |
| 43 | National Informatics Centre | RC - NIC/TPS/2013/36/RC/B/01 dated 24/03/2015 |
| 44 | National Informatics Centre | RC - NIC/TPS/2013/36/RC/A/01 dated 24/03/2015 |
| 45 | National Informatics Centre Services Inc | RC - NIC/TPS/2013/37/RC/J/01 dated 24/03/2015 |
| 46 | National Informatics Centre Services Inc | RC - NIC/TPS/2013/37/RC/K/01 dated 24/03/2015 |
| 47 | National Informatics Centre Services Inc | RC - NIC/TPS/2013/37/RC/N/01 dated 24/03/2015 |
| 48 | National Informatics Centre Services Inc | RC-NIC/TPS/2014/20/RC/01 dated 12/02/2015 |
| 49 | National Informatics Centre Services Inc | RC-NIC/TPS/2013/36/RC/B/01 dated 24/03/2015 |
| 50 | National Informatics Centre Services Inc | RC-NIC/TPS/2013/36/RC/A/01 dated 24/03/2015 |
| 51 | National Insurance Company Limited | Eula Renewal PO dated 25/02/2013 |
| 52 | National Insurance Company Limited | Agreement dated 21/11/2008 |
| 53 | National Insurance Company Limited | Agreement dated 24/03/2015 |
| 54 | Oriental Bank of Commerce | OBC/HO/DIT/IS/245/15-16 dated 16 jun-2015 PO end date (2020) |
| 55 | Paschimanchal Vidyut Vitran Nigam Ltd | Agreement dated 23/02/2010 + Additional Orders + CRs |
| 56 | Pernod Ricard India Pvt Ltd. | HH/1400237 dated 20-may-2015 |
| 57 | Power Grid Corporation of India Ltd | CC-CS/173-CC/ERP-1067/3/G1/NOA-1/5230 dated 03/03/2015 |
| 58 | Power Grid Corporation of India Ltd | 1).cc-cs/173-cc/erp-1067/3/GI/CA-I/5230 dated 30.03.2015 2) cc-cs/173-cc/erp-1067/3/GI/CA-II/5231 dated 30.03.2015 |
| 59 | Purvanchal Vidyut Vitran Nigam Ltd | Ref No. 2150/PUVVNL(V)/R-APDRP/PART-A dated 19/02/2010 + Additional Orders/ CRs |
| 60 | RajCOMP Info Services Ltd | F4.3(145)/RISL/TECH/15/11623 dated 12/03/2015 |
| 61 | RajCOMP Info Services Ltd | F3.3(83)/RISL/PUR/2014/11624 dated 12/03/2015 |
| 62 | RajCOMP Info Services Ltd | Agreement dated 17/02/2015 |

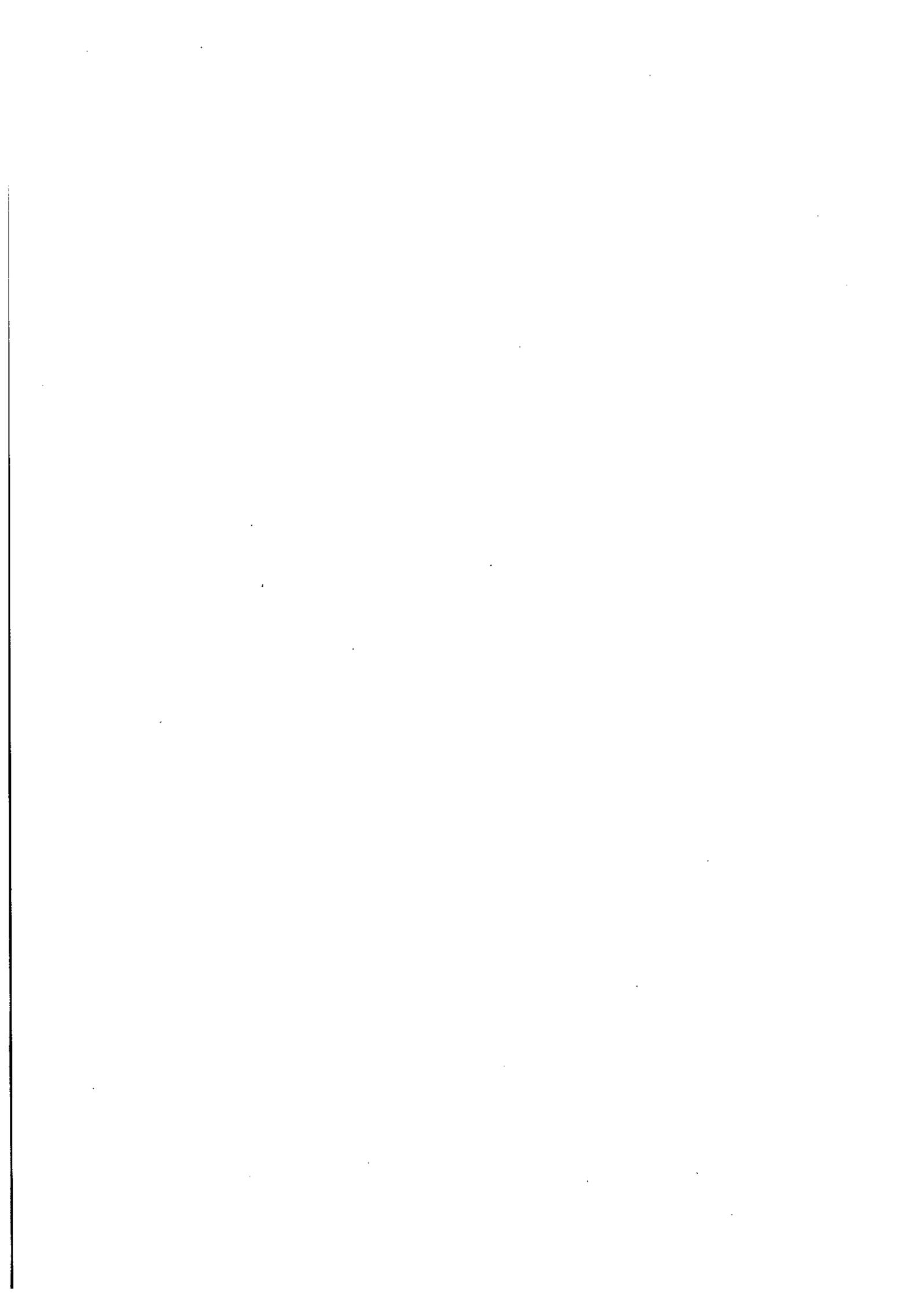


| S. No. | Customer Name | PO/ Agreement Reference |
|--------|---|---|
| 63 | Reserve Bank of India | DIT.CO.NO. 1633/07.71.011/2014-15 dated 25/03/2015 |
| 64 | Reserve Bank of India | Agreement dated 24/06/2008 |
| 65 | SBI General Insurance Company Ltd. | CR order Version 1.0 dated 24/02/2012 |
| 66 | SBI General Insurance Company Ltd. | Agreement dated 18/03/2010 + Additional Orders + CRs |
| 67 | SBI General Insurance Company Ltd. | Agreement dated 09/09/2010 |
| 68 | SBI General Insurance Company Ltd. | Agreement dated 20/05/2015 |
| 69 | Shiv Nadar Foundation / Shiv Nadar University | SNU/2015-16/IT/0017 dated 9-04-2015 PO end date 31-10-2015 |
| 70 | Shiv Nadar Foundation / Shiv Nadar University | SO- SNU/2014-15/IT/607 dated 23-12-2014 (Services effected from 23-dec-2015 for 1 year |
| 71 | Tide Water Oil Co.(India) Pvt. Ltd. | PO No 9020000160 dated 19th Dec'14 |
| 72 | Triveni Engineering and Industries Ltd | dated 23/09/2014 |
| 73 | Union Bank of India | DIT:MFTP:HW:259 dated March 2015 (PO end date is 3 apr-2016) |
| 74 | Union Bank of India | DIT:MFTP:1971 dated 14 may 2015 (PO end date is 23 May-2016) |
| 75 | Union Bank of India | DIT:MFTP:HW:254 A dated 27 march 2015 (PO end date is 3 apr-2016) |
| 76 | Uttar Haryana Bijli Vitran Nigam Ltd/ CGM PD&C UHBVN (Uttar Haryana) | Work Order No. 503/TED-154/R-APDRP/IT/258 dated 23 nov12 |
| 77 | Uttar Haryana Bijli Vitran Nigam Ltd/ CGM PD&C UHBVN (Uttar Haryana) | Agreement dated 23/11/12 + Additional Orders/ CRs |
| 78 | Uttar Pradesh Power Corporation Limited | LOI No. 1534/DC/PCL/14 dated 30/06/2014 |
| 79 | Uttar Pradesh Power Corporation Limited | Agreement dated 11/08/2014 |
| 80 | Vijaya Bank | PO-DIT/PC/116/2014-15 dated 21.01.2015 (Valid for 5 years) |
| 81 | Broadcom Technologies Pvt Ltd | 6000006394 dated 09/07/2015 |
| 82 | HT Media Limited | Only Agreement dated 23/09/2014 |
| 83 | HT Media Limited | Agreement dated 23/09/2014 |
| 84 | Securities and Exchange Board of India | SEBI/25418/2012 dated 12/11/2012 |
| 85 | Oxford University Press | OUP/IT/AMC/2014-15/007 |
| 86 | Sharda University | REF- Estate /PO/SU/09/2011 dated 28/09/2011 |
| 87 | Bajaj Energy Pvt. Ltd | 6800000490 dated 12/08/2011 |
| 88 | Center for Development of Telematics | Tender No. CDOT/TENDER/2013-14/005 dated 04/10/2013 & PO dated 28/04/2014 |
| 89 | Defence Research & Development Organisation | DMS/LP/20/MS/II/PC-74(11-12) dated 17/04/12 |
| 90 | Pricewaterhouse Coopers Private Limited | 101208207 dated 29/01/15 |
| 91 | PwC | PO dated 30/06/2015 |
| 92 | Unique Identification Authority of India Ltd | F.NO. T-11011/56/2011-TECH dated 29/05/15 |
| 93 | Cyan Technology Limited | 23984 dated 09/09/14 |
| 94 | Cairn India Limited | 7400010844 dated 11/06/2014 |
| 95 | Engineers India Limited | 7708/8530-01/1002/01 dated 11/09/2007 |



| S. No. | Customer Name | PO/ Agreement Reference |
|--------|---------------------------------------|---|
| 96 | SAP India Pvt. Ltd. | 5000124325 dated 10/10/2012 |
| 97 | Midland Credit Management India Pvt | MCM IPL/2013-2014/231 dated 13/01/2013 |
| 98 | Midland Credit Management India Pvt | MCM IPL/2014-2015/50 dated 02/06/2014 |
| 99 | Rail Coach Factory | LOA No. IT/86106 VOL-4 dated 17/01/2012 |
| 100 | Rail Coach Factory | Agreement Ref IT/86106 dated 10.07.2012 |
| 101 | Sundaram Asset Management Company Ltd | SAM/HCT/068/2014-15 dated 28/01/2015 |
| 102 | Sundaram Asset Management Company Ltd | Agreement dated 13/02/2015 |





HCL TECHNOLOGIES LTD.

Corporate Identity Number: L74140DL1991PLC046369

A 10-11, Sector 3, NOIDA 201 301, UP, India.

T: +91 120 4013000 F: +91 120 2526907

Registered Office: 806 Siddharth, 96, Nehru Place, New Delhi-110019, India.

www.hcltech.com

www.hcl.com

Annexure-3

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE AUDIT COMMITTEE OF HCL TECHNOLOGIES LIMITED IN ITS MEETING HELD ON OCTOBER 16, 2015

“RESOLVED That in terms of Section 177 and other relevant provisions of the Companies Act, 2013 and the listing Agreement entered by the Company with the Stock Exchange(s), the approval of the Audit Committee be and is hereby accorded for entering into a related party transaction with HCL Comnet Limited, a wholly owned subsidiary, for transfer of India System Integration Business of the Company on a going concern basis, for a consideration up to Rs. 132 crores, through the Scheme of Arrangement under Sections 391-394 of the Companies Act, 1956, to be approved by the Hon'ble High Court of Delhi.”

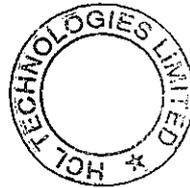
“RESOLVED FURTHER THAT the draft Scheme of Arrangement under the provisions of Sections 391-394 of the Companies Act, 1956 proposed to be entered into between HCL Technologies Limited and HCL Comnet Limited as placed before the Audit Committee be and is hereby approved and the same is recommended for consideration and approval by the Board of Directors of the Company.”

Date: October 30, 2015

Place: Noida (U.P.)

For HCL Technologies Limited


Manish Anand
Company Secretary



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HCL

Wednesday, October 28, 2015

The Board of Directors,

HCL Technologies Limited
806, Sidharth, 96, Nehru Place,
New Delhi-110 019

Dear Sirs,

FAIRNESS OPINION CERTIFICATE ON TRANSFER OF ISIB BUSINESS OF HCL TECHNOLOGIES LIMITED TO HCL COMNET SYSTEM AND SERVICES LIMITED

We, Karvy Investor Services Limited ('**Karvy**' or '**KISL**'), refer to our offer letter no. KISL/IB/HCL/2015-16/035 dated Wednesday, October 28, 2015, to act as an Independent Merchant Banker for furnishing a '**Fairness Opinion**' on the Scheme of Arrangement for transfer of ISIB business of HCL Technologies Limited ("Transferor Company") to HCL Comnet System and Services Limited ("Transferee Company") in a transfer of undertaking transaction (the "Scheme"), to comply with the listing agreement of the stock exchanges.

The ISIB Business of HCL Technologies Limited refers to the 'India System Integration Business', which is the India business of IT infrastructure management services involving managing customers and IT assets.

We have been given to understand that, the proposed Scheme is subject to shareholder and regulatory approvals. The scheme is conceived to provide the following benefits:

- a) simplified and transparent business structure of the Transferor Company and the Transferee Company;
- b) more focused management of the Transferor Company and the Transferee Company;
- c) greater visibility in the performance of the individual businesses;
- d) higher degree of independence as well as accountability with autonomy for each of the business segment;
- e) will thrive in achieving and sustaining competitiveness and development of long-term internal and core competencies;
- f) will also provide for independent collaboration and expansion without committing the existing organization in its entirety; and
- g) will create a platform to enhance financial flexibility to pursue the next stage of growth.



Page 1 of 2

Karvy Investor Services Limited

Registered Office: Karvy House, 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad - 500 034.

T: +91 40 2331 2454/2342 8774 | F: +91 40 2331 1968/2337 4714

e-mail: cmg@karvy.com/igmbd@karvy.com | www.karvy.com

CERTIFIED TRUE COPY
For HCL TECHNOLOGIES LIMITED

Manish Anand
MANISH ANAND
Company Secretary

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The transfer of undertaking is proposed at a cash consideration of Rs. 132 Crores as decided by the Board of Directors of the respective companies.

We refer to the above information, the Scheme document, financials of the companies, the information and the explanations submitted to us by the management of both the companies. We further refer to the fact that, the Transferee Company is a wholly owned subsidiary of the Transferor Company and no shares are to be issued as consideration for the proposed transfer. Hence, the valuation of the Transferor and Transferee Company have not been undertaken by an independent valuer in line with vide SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013.

Based on the above information, material, data and the Scheme made available to us, *to the best of our knowledge and belief*, the transfer proposed as per the Scheme is **Fair**.

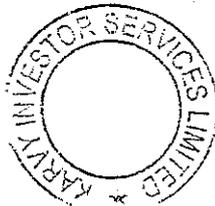
This fairness opinion is furnished solely for the use of the Transferor and Transferee Company to comply with clause 24 of the listing agreement of the stock exchange(s) and should not be used for any other purpose without our prior written consent.

Thanking you,

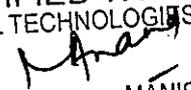
Yours faithfully,

**For and on behalf of
Karvy Investor Services Limited**


**Rohan Menon
Senior Manager**



**CERTIFIED TRUE COPY
For HCL TECHNOLOGIES LIMITED**

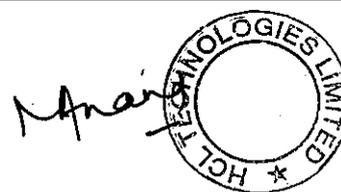

**MANISH ANAND
Company Secretary**

(I)(a) Statement Showing Shareholding Pattern

(Pre-Scheme of Arrangement)

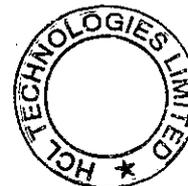
| Name of the Company : HCL Technologies Limited | | | |
|---|-------------------------------------|---|---|
| Scrip Code : BSE - 532281; NSE - HCLTECH | | Name of the Scrip, Class of Security : Equity | |
| Quarter Ended: June 30, 2015 | | | |
| Partly paid-up shares:- | | No. of partly paid-up shares | As a % of total no. of partly paid-up shares |
| | | | As a % of total no. of shares of the company |
| | Held by promoter/ promoters's group | Nil | - |
| | Held by public | Nil | - |
| | Total | Nil | - |
| Outstanding convertible securities:- | | No. of outstanding securities | As a % of total no. of outstanding convertible securities |
| | | | As a % of total no. of shares of the company, assuming full conversion of the convertible securities |
| | Held by promoter/ promoters's group | Nil | - |
| | Held by public | Nil | - |
| | Total | Nil | - |
| Warrants:- | | No. of warrants | As a % of total no. of warrants |
| | | | As a % of total no. of shares of the company, assuming full conversion of the convertible warrants |
| | Held by promoter/ promoters's group | Nil | - |
| | Held by public | Nil | - |
| | Total | Nil | - |
| Total paid-up capital of the company assuming full conversion of warrants and convertible securities | | Nil | - |
| | | Nil | - |
| | | Nil | - |

| Category code (I) | Category of Shareholder (II) | Number of Shareholders (III) | Total number of shares (IV) | Number of shares held in dematerialized form (V) | Total shareholding as a percentage of total number of shares | | Shares pledged or otherwise encumbered | |
|-------------------|---|------------------------------|-----------------------------|--|--|----------------------------------|--|-----------------------------------|
| | | | | | As a percentage of (A+B) (VI) | As a percentage of (A+B+C) (VII) | Number of Shares (VIII) | As a percentage (IX)= VIII/IV*100 |
| (A) | Promoter and Promoter Group | | | | | | | |
| 1 | Indian | | | | | | | |
| (a) | Individuals/ Hindu Undivided Family | - | - | - | - | - | - | - |
| (b) | Central Government/ State Government(s) | - | - | - | - | - | - | - |
| (c) | Bodies Corporate | 2 | 612,622,144 | 612,622,144 | 43.57% | 43.57% | Nil | Nil |
| (d) | Financial Institutions/ Banks | - | - | - | - | - | - | - |
| (e) | Any Others (Specify) | - | - | - | - | - | - | - |
| (e-i) | Directors & their Relatives | 3 | 788 | 788 | 0.00% | 0.00% | Nil | Nil |
| (e-ii) | Trust ** | 1 | 80 | 80 | 0.00% | 0.00% | Nil | Nil |
| | Sub Total(A)(1) | 6 | 612,623,012 | 612,623,012 | 43.57% | 43.57% | Nil | Nil |
| 2 | Foreign | | | | | | | |
| (a) | Individuals (Non-Resident Individuals/ Foreign Individuals) | - | - | - | - | - | - | - |
| (b) | Bodies Corporate | 1 | 239,097,816 | 239,097,816 | 17.01% | 17.01% | Nil | Nil |
| (c) | Institutions | - | - | - | - | - | - | - |
| (d) | Qualified Foreign Investor | - | - | - | - | - | - | - |
| (e) | Any Others(Specify) | - | - | - | - | - | - | - |
| | Sub Total(A)(2) | 1 | 239,097,816 | 239,097,816 | 17.01% | 17.01% | Nil | Nil |
| | Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2) | 7 | 851,720,828 | 851,720,828 | 60.58% | 60.58% | Nil | Nil |



| | | | | | | | | | |
|---------|--|----------------|----------------------|----------------------|----------------|----------------|------|------|------|
| (B) | Public shareholding | | | | | | | N.A. | N.A. |
| 1 | Institutions | | | | | | | | |
| (a) | Mutual Funds/ UTI | 305 | 48,799,184 | 48,797,020 | 3.47% | 3.47% | - | - | - |
| (b) | Financial Institutions/ Banks | 23 | 777,941 | 777,145 | 0.06% | 0.06% | - | - | - |
| (c) | Central Government/ State Government(s) | - | - | - | - | - | - | - | - |
| (d) | Venture Capital Funds | - | - | - | - | - | - | - | - |
| (e) | Insurance Companies | 30 | 14,036,744 | 14,036,744 | 1.00% | 1.00% | - | - | - |
| (f) | Foreign Institutional Investors | 908 | 406,713,190 | 406,712,390 | 28.93% | 28.93% | - | - | - |
| (g) | Foreign Venture Capital Investors | - | - | - | - | - | - | - | - |
| (h) | Qualified Foreign Investor | - | - | - | - | - | - | - | - |
| (I) | Any Other (specify) | | | | | | | | |
| (I-i) | Foreign Banks | 3 | 1,200 | 1,200 | 0.00% | 0.00% | - | - | - |
| | Sub-Total (B)(1) | 1,269 | 470,328,259 | 470,324,499 | 33.45% | 33.45% | - | - | - |
| B 2 | Non-institutions | | | | | | | N.A. | N.A. |
| (a) | Bodies Corporate | 1,421 | 33,718,568 | 33,711,548 | 2.40% | 2.40% | - | - | - |
| (b) | Individuals | | | | | | | | |
| | i. Individual shareholders holding nominal share capital up to Rs. 1 lakh | 117,893 | 33,847,063 | 33,168,464 | 2.41% | 2.41% | - | - | - |
| | ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh. | 67 | 7,191,884 | 7,191,884 | 0.51% | 0.51% | - | - | - |
| (c) | Qualified Foreign Investor | - | - | - | 0.00% | 0.00% | - | - | - |
| (d) | Any Other (specify) | | | | | | | | |
| (d-i) | Trusts | 36 | 1,337,122 | 1,337,122 | 0.10% | 0.10% | - | - | - |
| (d-ii) | Foreign Nationals | 12 | 74,767 | 74,767 | 0.01% | 0.01% | - | - | - |
| (d-iii) | Non-Resident Indians | 3,194 | 5,888,415 | 5,858,975 | 0.42% | 0.42% | - | - | - |
| (d-iv) | Overseas Corporate Bodies | 9 | 18,124 | 17,244 | 0.00% | 0.00% | - | - | - |
| (d-v) | Clearing Members | 465 | 1,364,123 | 1,364,123 | 0.10% | 0.10% | - | - | - |
| (d-vi) | Hindu Undivided Families | 1,804 | 489,265 | 489,265 | 0.03% | 0.03% | - | - | - |
| | Sub-Total (B)(2) | 124,901 | 83,929,331 | 83,213,392 | 5.97% | 5.97% | - | - | - |
| | Total Public Shareholding (B) = (B)(1)+(B)(2) | 126,170 | 554,257,590 | 553,537,891 | 39.42% | 39.42% | N.A. | N.A. | N.A. |
| | TOTAL (A)+(B) | 126,177 | 1,405,978,418 | 1,405,258,719 | 100.00% | 100.00% | Nil | Nil | Nil |
| (C) | Shares held by Custodians and against which Depository Receipts have been issued # | | | | | | | N.A. | N.A. |
| i. | Promoter and Promoter group | - | - | - | - | - | - | - | - |
| ii. | Public | - | - | - | - | - | - | - | - |
| | GRAND TOTAL (A)+(B)+(C) | 126,177 | 1,405,978,418 | 1,405,258,719 | 100.00% | 100.00% | Nil | Nil | Nil |

The Company has not issued any shares to the custodians against which Depository Receipts have been issued.



(I)(b) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Promoter and Promoter Group"

| Sr. No. (I) | Name of the shareholder (II) | Details of Shares held | | Encumbered Shares | | | Details of warrants | | Details of convertible securities | | Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital (XII) |
|--------------|--|------------------------|--|-------------------|--------------------------------------|--|-------------------------------|---|---|---|--|
| | | Number (III) | As a % of grand Total (A)+(B)+(C) (IV) | Number (V) | As a percentage (VI) = (V)/(III)*100 | As a % of grand Total (A)+(B)+(C) of sub-clause (I)(a) (VII) | Number of warrants held (VII) | As a % of total number of warrants of the same class (IX) | Number of convertible securities held (X) | As a % of total number of convertible securities of the same class (XI) | |
| 1 | Vama Sundari Investments (Delhi) Pvt. Ltd. | 600,097,024 | 42.68% | - | - | - | - | - | - | - | - |
| 2 | HCL Corporation Private Limited | 12,525,120 | 0.89% | - | - | - | - | - | - | - | - |
| 3 | HCL Holdings Private Limited * | 239,097,816 | 17.01% | - | - | - | - | - | - | - | - |
| 4 | Mr. Shiv Nadar | 368 | 0.00% | - | - | - | - | - | - | - | - |
| 5 | Ms. Kiran Nadar | 72 | 0.00% | - | - | - | - | - | - | - | - |
| 6 | Ms. Roshni Nadar Malhotra | 348 | 0.00% | - | - | - | - | - | - | - | - |
| 7 | SSN Trust ** | 80 | 0.00% | - | - | - | - | - | - | - | - |
| TOTAL | | 851,720,828 | 60.58% | - | - | - | - | - | - | - | - |

* This is an Overseas Corporate Body.

** These are public charitable trusts in which promoter does not hold any beneficial interest

(I)(c)(i) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Public" and holding more than 1% of the total number of shares

| Sr. No. | Name of the shareholder | Number of shares | Shares as a percentage of total number of shares (i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above) | Details of warrants | | Details of convertible securities | | Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital |
|--------------|-------------------------|------------------|--|-------------------------|--|---------------------------------------|---|--|
| | | | | Number of warrants held | As a % of total number of warrants of the same class | Number of convertible securities held | % w.r.t. total number of convertible securities of the same class | |
| | Nil | - | - | - | - | - | - | - |
| TOTAL | | - | - | - | - | - | - | - |

(I)(c)(ii) Statement showing holding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category "Public" and holding more than 5% of the total number of shares of the Company

| Sr. No. | Name(s) of the shareholder(s) and the Persons Acting in Concert(PAC) with them | Number of shares | Shares as a percentage of total number of shares (i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above) | Details of warrants | | Details of convertible securities | | Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital |
|--------------|--|------------------|--|---------------------|--|---------------------------------------|---|--|
| | | | | Number of warrants | As a % of total number of warrants of the same class | Number of convertible securities held | % w.r.t. total number of convertible securities of the same class | |
| | Nil | - | - | - | - | - | - | - |
| TOTAL | | - | - | - | - | - | - | - |

(I)(d) Statement showing details of locked-in shares

| Sr. No. | Name of the shareholder | Number of locked-in shares | Locked-in shares as a percentage of total number of shares (i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above) | Promoter/ Group/ Public |
|--------------|-------------------------|----------------------------|--|-------------------------|
| | Nil | 0 | 0.00 | 0.00 |
| TOTAL | | 0 | 0.00 | 0.00 |



(II)(a) Statement showing details of Depository Receipts (DRs)

| Sr. No. | Type of outstanding DR (ADRs, GDRs, SDRs, etc.) | Number of outstanding DRs | Number of shares underlying outstanding DRs | Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above} |
|----------------|---|---------------------------|---|---|
| Not Applicable | | | | |
| TOTAL | | 0 | 0 | 0.00 |

(II)(b) Statement showing Holding of Depository Receipts (DRs), where underlying shares held by 'promoter/ promoter group' are in excess of 1% of the total number of shares

| Sr. No. | Name of the DR Holder | Type of outstanding DR (ADRs, GDRs, SDRs, etc.) | Number of shares underlying outstanding DRs | Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above} |
|----------------|-----------------------|---|---|---|
| Not Applicable | | | | |
| TOTAL | | | 0 | 0.00 |

(III)(a) Statement showing the voting pattern of shareholders, if more than one class of shares/ securities is issued by the issuer.

The Company has issued only one class of security

Anang



(I)(a) Statement Showing Shareholding Pattern

(Post-Scheme of Arrangement)

| Name of the Company : HCL Technologies Limited | | | |
|---|-------------------------------|---|--|
| Scrip Code : BSE - 532281; NSE - HCLTECH | | Name of the Scrip, Class of Security : Equity | |
| Partly paid-up shares:- | | | |
| | No. of partly paid-up shares | As a % of total no. of partly paid-up shares | As a % of total no. of shares of the company |
| Held by promoter/ promoters's group | Nil | - | - |
| Held by public | Nil | - | - |
| Total | Nil | - | - |
| Outstanding convertible securities:- | | | |
| | No. of outstanding securities | As a % of total no. of outstanding convertible securities | As a % of total no. of shares of the company, assuming full conversion of the convertible securities |
| Held by promoter/ promoters's group | Nil | - | - |
| Held by public | Nil | - | - |
| Total | Nil | - | - |
| Warrants:- | | | |
| | No. of warrants | As a % of total no. of warrants | As a % of total no. of shares of the company, assuming full conversion of the convertible warrants |
| Held by promoter/ promoters's group | Nil | - | - |
| Held by public | Nil | - | - |
| Total | Nil | - | - |
| Total paid-up capital of the company assuming full conversion of warrants and convertible securities | | | |
| | Nil | - | - |
| | Nil | - | - |
| | Nil | - | - |

| Category code (I) | Category of Shareholder (II) | Number of Shareholders (III) | Total number of shares (IV) | Number of shares held in dematerialized form (V) | Total shareholding as a percentage of total number of shares | | Shares pledged or otherwise encumbered | |
|-------------------|---|------------------------------|-----------------------------|--|--|----------------------------------|--|-----------------------------------|
| | | | | | As a percentage of (A+B) (VI) | As a percentage of (A+B+C) (VII) | Number of Shares (VIII) | As a percentage (IX)= VIII/IV*100 |
| (A) | Promoter and Promoter Group | | | | | | | |
| 1 | Indian | | | | | | | |
| (a) | Individuals/ Hindu Undivided Family | - | - | - | - | - | - | - |
| (b) | Central Government/ State Government(s) | - | - | - | - | - | - | - |
| (c) | Bodies Corporate | 2 | 612,622,144 | 612,622,144 | 43.57% | 43.57% | Nil | Nil |
| (d) | Financial Institutions/ Banks | - | - | - | - | - | - | - |
| (e) | Any Others (Specify) | - | - | - | - | - | - | - |
| (e-i) | Directors & their Relatives | 3 | 788 | 788 | 0.00% | 0.00% | Nil | Nil |
| (e-ii) | Trust ** | 1 | 80 | 80 | 0.00% | 0.00% | Nil | Nil |
| | Sub Total(A)(1) | 6 | 612,623,012 | 612,623,012 | 43.57% | 43.57% | Nil | Nil |
| 2 | Foreign | | | | | | | |
| (a) | Individuals (Non-Resident Individuals/ Foreign Individuals) | - | - | - | - | - | - | - |
| (b) | Bodies Corporate | 1 | 239,097,816 | 239,097,816 | 17.01% | 17.01% | Nil | Nil |
| (c) | Institutions | - | - | - | - | - | - | - |
| (d) | Qualified Foreign Investor | - | - | - | - | - | - | - |
| (e) | Any Others(Specify) | - | - | - | - | - | - | - |
| | Sub Total(A)(2) | 1 | 239,097,816 | 239,097,816 | 17.01% | 17.01% | Nil | Nil |
| | Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2) | 7 | 851,720,828 | 851,720,828 | 60.58% | 60.58% | Nil | Nil |



| | | | | | | | | | |
|------------|---|----------------|----------------------|----------------------|----------------|----------------|---|------|------|
| (B) | Public shareholding | | | | | | | N.A. | N.A. |
| 1 | Institutions | | | | | | | | |
| (a) | Mutual Funds/ UTI | 305 | 48,799,184 | 48,797,020 | 3.47% | 3.47% | - | - | - |
| (b) | Financial Institutions/ Banks | 23 | 777,941 | 777,145 | 0.06% | 0.06% | - | - | - |
| (c) | Central Government/ State Government(s) | - | - | - | - | - | - | - | - |
| (d) | Venture Capital Funds | - | - | - | - | - | - | - | - |
| (e) | Insurance Companies | 30 | 14,036,744 | 14,036,744 | 1.00% | 1.00% | - | - | - |
| (f) | Foreign Institutional Investors | 908 | 406,713,190 | 406,712,390 | 28.93% | 28.93% | - | - | - |
| (g) | Foreign Venture Capital Investors | - | - | - | - | - | - | - | - |
| (h) | Qualified Foreign Investor | - | - | - | - | - | - | - | - |
| (I) | Any Other (specify) | | | | | | | | |
| (I-i) | Foreign Banks | 3 | 1,200 | 1,200 | 0.00% | 0.00% | - | - | - |
| | Sub-Total (B)(1) | 1,269 | 470,328,259 | 470,324,499 | 33.45% | 33.45% | | | |
| B 2 | Non-institutions | | | | | | | N.A. | N.A. |
| (a) | Bodies Corporate | 1,421 | 33,718,568 | 33,711,548 | 2.40% | 2.40% | - | - | - |
| (b) | Individuals | | | | | | | | |
| | i. Individual shareholders holding nominal share capital up to Rs. 1 lakh | 117,893 | 33,847,063 | 33,168,464 | 2.41% | 2.41% | - | - | - |
| | ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh. | 67 | 7,191,884 | 7,191,884 | 0.51% | 0.51% | - | - | - |
| (c) | Qualified Foreign Investor | - | - | - | 0.00% | 0.00% | - | - | - |
| (d) | Any Other (specify) | | | | | | | | |
| (d-i) | Trusts | 36 | 1,337,122 | 1,337,122 | 0.10% | 0.10% | - | - | - |
| (d-ii) | Foreign Nationals | 12 | 74,767 | 74,767 | 0.01% | 0.01% | - | - | - |
| (d-iii) | Non-Resident Indians | 3,194 | 5,888,415 | 5,858,975 | 0.42% | 0.42% | - | - | - |
| (d-iv) | Overseas Corporate Bodies | 9 | 18,124 | 17,244 | 0.00% | 0.00% | - | - | - |
| (d-v) | Clearing Members | 465 | 1,364,123 | 1,364,123 | 0.10% | 0.10% | - | - | - |
| (d-vi) | Hindu Undivided Families | 1,804 | 489,265 | 489,265 | 0.03% | 0.03% | - | - | - |
| | Sub-Total (B)(2) | 124,901 | 83,929,331 | 83,213,392 | 5.97% | 5.97% | | | |
| | Total Public Shareholding (B) = (B)(1)+(B)(2) | 126,170 | 554,257,590 | 553,537,891 | 39.42% | 39.42% | | N.A. | N.A. |
| | TOTAL (A)+(B) | 126,177 | 1,405,978,418 | 1,405,258,719 | 100.00% | 100.00% | | Nil | Nil |
| (C) | Shares held by Custodians and against which Depository Receipts have been issued # | | | | | | | N.A. | N.A. |
| i. | Promoter and Promoter group | - | - | - | - | - | - | - | - |
| ii. | Public | - | - | - | - | - | - | - | - |
| | GRAND TOTAL (A)+(B)+(C) | 126,177 | 1,405,978,418 | 1,405,258,719 | 100.00% | 100.00% | | Nil | Nil |

The Company has not issued any shares to the custodians against which Depository Receipts have been issued.

Note! No. of shares may change due to allotment of shares pursuant to Employees stock option plan of the company.



(I)(b) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Promoter and Promoter Group"

| Sr. No. (I) | Name of the shareholder (II) | Details of Shares held | | Encumbered Shares | | | Details of warrants | | Details of convertible securities | | Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital (XII) |
|--------------|--|------------------------|--|-------------------|--------------------------------------|--|-------------------------------|---|---|---|--|
| | | Number (III) | As a % of grand Total (A)+(B)+(C) (IV) | Number (V) | As a percentage (VI) = (V)/(III)*100 | As a % of grand Total (A)+(B)+(C) of sub-clause (I)(a) (VII) | Number of warrants held (VII) | As a % of total number of warrants of the same class (IX) | Number of convertible securities held (X) | As a % of total number of convertible securities of the same class (XI) | |
| 1 | Vama Sundari Investments (Delhi) Pvt. Ltd. | 600,097,024 | 42.68% | - | - | - | - | - | - | - | - |
| 2 | HCL Corporation Private Limited | 12,525,120 | 0.89% | - | - | - | - | - | - | - | - |
| 3 | HCL Holdings Private Limited * | 239,097,816 | 17.01% | - | - | - | - | - | - | - | - |
| 4 | Mr. Shiv Nadar | 368 | 0.00% | - | - | - | - | - | - | - | - |
| 5 | Ms. Kiran Nadar | 72 | 0.00% | - | - | - | - | - | - | - | - |
| 6 | Ms. Roshni Nadar Malhotra | 348 | 0.00% | - | - | - | - | - | - | - | - |
| 7 | SSN Trust ** | 80 | 0.00% | - | - | - | - | - | - | - | - |
| TOTAL | | 851,720,828 | 60.58% | - | - | - | - | - | - | - | - |

* This is an Overseas Corporate Body.

** These are public charitable trusts in which promoter does not hold any beneficial interest

(I)(c) (i) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Public" and holding more than 1% of the total number of shares

| Sr. No. | Name of the shareholder | Number of shares | Shares as a percentage of total number of shares (i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above) | Details of warrants | | Details of convertible securities | | Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital |
|--------------|-------------------------|------------------|--|-------------------------|--|---------------------------------------|---|--|
| | | | | Number of warrants held | As a % of total number of warrants of the same class | Number of convertible securities held | % w.r.t. total number of convertible securities of the same class | |
| | Nil | | | | | | | |
| TOTAL | | - | | | | | | |

(I)(c) (ii) Statement showing holding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category "Public" and holding more than 5% of the total number of shares of the Company

| Sr. No. | Name(s) of the shareholder(s) and the Persons Acting in Concert(PAC) with them | Number of shares | Shares as a percentage of total number of shares (i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above) | Details of warrants | | Details of convertible securities | | Total Shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital |
|--------------|--|------------------|--|---------------------|--|---------------------------------------|---|--|
| | | | | Number of warrants | As a % of total number of warrants of the same class | Number of convertible securities held | % w.r.t. total number of convertible securities of the same class | |
| | Nil | | | | | | | |
| TOTAL | | - | | | | | | |

(I)(d) Statement showing details of locked-in shares

| Sr. No. | Name of the shareholder | Number of locked-in shares | Locked-in shares as a percentage of total number of shares (i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above) | Promoter/ Promoter Group/ Public |
|--------------|-------------------------|----------------------------|--|----------------------------------|
| | Nil | | | |
| TOTAL | | 0 | 0.00 | 0.00 |



(II)(a) Statement showing details of Depository Receipts (DRs)

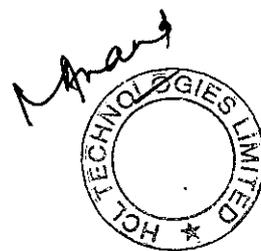
| Sr. No. | Type of outstanding DR (ADRs, GDRs, SDRs, etc.) | Number of outstanding DRs | Number of shares underlying outstanding DRs | Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above} |
|----------------|---|---------------------------|---|---|
| Not Applicable | | | | |
| TOTAL | | 0 | 0 | 0.00 |

(II)(b) Statement showing Holding of Depository Receipts (DRs), where underlying shares held by 'promoter/ promoter group' are in excess of 1% of the total number of shares

| Sr. No. | Name of the DR Holder | Type of outstanding DR (ADRs, GDRs, SDRs, etc.) | Number of shares underlying outstanding DRs | Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above} |
|----------------|-----------------------|---|---|---|
| Not Applicable | | | | |
| TOTAL | | | 0 | 0.00 |

(III)(a) Statement showing the voting pattern of shareholders, if more than one class of shares/ securities is issued by the issuer.

The Company has issued only one class of security



HCL COMNET LTD.

(A subsidiary of HCL TECHNOLOGIES LTD.)

Corporate Identity Number: U74899DL2001PLC111951

A-10/11, Sector 3, NOIDA 201 301, UP., India

T: +91 120 4362800 F: +91 120 2539799

Registered Office: 806 Siddharth, 96, Nehru Place, New Delhi-110019, India

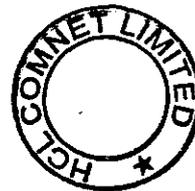
www.hclcomnet.co.in

www.hclisd.com

Annex-5**HCL Comnet Limited****Statement showing Shareholding Pattern (Pre and Post Scheme of Arrangement)**

| Sr. No. | Name of the Shareholder | Pre-Scheme of Arrangement | | Post- Scheme of Arrangement | |
|---------|--|---|----------------------|--|----------------------|
| | | No. of Shares (Face value Rs.10/- each) | % of shareholding | No. of Shares (Face value Rs.10/- each) | % of shareholding |
| 1 | HCL Technologies Limited | 949,840 | 99.994% | 949,840 | 99.994% |
| 2 | Mr. Amit Roy (held as nominee of HCL Technologies Limited) | 10 | 0.001% | 10 | 0.001% |
| 3 | Mr. Sanjeev Nikore (held as nominee of HCL Technologies Limited) | 10 | 0.001% | 10 | 0.001% |
| 4 | Mr. Manish Anand (held as nominee of HCL Technologies Limited) | 10 | 0.001% | 10 | 0.001% |
| 5 | Mr. C.R.D. Prasad (held as nominee of HCL Technologies Limited) | 10 | 0.001% | 10 | 0.001% |
| 6 | Mr. Shamsher Singh (held as nominee of HCL Technologies Limited) | 10 | 0.001% | 10 | 0.001% |
| 7 | Mr. Atul Kumar Jain (held as nominee of HCL Technologies Limited) | 10 | 0.001% | 10 | 0.001% |
| | Total | 949,900 | 100.000% | 949,900 | 100.000% |

For HCL Comnet Limited



Manish Anand
Manish Anand
(Director)

63

HCL

Financial Details of the transferee and transferor companies for the previous 3 years as per the audited statement of Accounts

Name of the Company: **HCL Technologies Limited**

(Rs. in Crores)

| | As per last Audited Financial Year | 1 year prior to the last Audited Financial Year | 2 years prior to the last Audited Financial Year |
|----------------------------|------------------------------------|---|--|
| | 2015-14 | 2014-13 | 2013-12 *** |
| Equity Paid up Capital | 281 | 140 | 139 |
| Reserves and surplus | 19,125 | 15,606 | 10,093 |
| Carry forward losses | - | - | - |
| Net Worth | 19,406 | 15,746 | 10,233 |
| Miscellaneous Expenditure | - | - | - |
| Secured Loans | 41 | 539 | 544 |
| Unsecured Loans | - | 29 | 82 |
| Fixed Assets | 3,608 | 2,967 | 2,442 |
| Income from Operations | 17,153 | 16,497 | 12,768 |
| Total Income | 18,353 | 17,156 | 13,159 |
| Total Expenditure | 10,654 | 9,759 | 8,573 |
| Profit before Tax | 7,699 | 7,398 | 4,587 |
| Profit after Tax | 6,346 | 5,985 | 3,798 |
| Cash profit * | 5,336 | 6,147 | 4,170 |
| EPS** | 45 | 43 | 27 |
| Book value (Rs. Per share) | 2 | 2 | 2 |

*Taken as operating cash flow as per Cash Flow Statement

**Adjusted for Bonus issue for FY 13-14 and FY 12-13

***After taking into effect of scheme of arrangement of HCL Comnet Systems & Services Ltd.



Manand

Name of the Company: **HCL Comnet Limited**

(Rs. in Crores)

| | As per last Audited Financial Year | 1 year prior to the last Audited Financial Year | 2 years prior to the last Audited Financial Year |
|---------------------------|---------------------------------------|---|--|
| | 2015-14 | 2014-13 | 2013-12 |
| Equity Paid up Capital | 1 | 1 | 1 |
| Reserves and surplus | 237 | 190 | 173 |
| Carry forward losses | - | - | - |
| Net Worth | 238 | 191 | 174 |
| Miscellaneous Expenditure | - | - | - |
| Secured Loans | 1 | 1 | 14 |
| Unsecured Loans | 4 | 5 | 424 |
| Fixed Assets | 10 | 18 | 21 |
| Income from Operations | 505 | 547 | 561 |
| Total Income | 578 | 564 | 601 |
| Total Expenditure | 520 | 539 | 556 |
| Profit before Tax | 58 | 25 | 45 |
| Profit after Tax | 47 | 17 | 33 |
| Cash profit * | 8 | 67 | 39 |
| EPS | 491 | 174 | 348 |
| Book value | 10 | 10 | 10 |

*Taken as operating cash flow as per Cash Flow Statement

Anand



Compliance Report on Corporate Governance

Name of the Company : HCL Technologies Limited

Quarter ending on : September 30, 2015

| Particulars | Clause of Listing Agreement | Compliance Status (Yes / No) | Remarks |
|---|-----------------------------|------------------------------|---------------|
| (1) | (2) | (3) | (4) |
| II. Board of Directors | 49(II) | | |
| (A) Composition of Board | 49(IIA) | Yes | - |
| (B) Independent Directors | 49(IIB) | Yes | |
| (C) Non-executive Directors' compensation & disclosures | 49(IIC) | Yes | - |
| (D) Other provisions as to Board and Committees | 49(IID) | Yes | - |
| (E) Code of Conduct | 49(IIE) | Yes | Refer Note. 1 |
| (F) Whistle Blower Policy | 49(IIF) | Yes | Refer Note. 1 |
| III. Audit Committee | 49(III) | | |
| (A) Qualified & Independent Audit Committee | 49(IIIA) | Yes | - |
| (B) Meeting of Audit Committee | 49(IIIB) | Yes | - |
| (C) Powers of Audit Committee | 49(IIIC) | Yes | - |
| (D) Role of Audit Committee | 49(IIID) | Yes | - |
| (E) Review of Information by Audit Committee | 49(IIIE) | Yes | - |
| IV. Nomination and Remuneration Committee | 49(IV) | Yes | - |
| V. Subsidiary Companies | 49(V) | Yes | - |
| VI. Risk Management | 49(VI) | Yes | - |
| VII. Related Party Transactions | 49(VII) | Yes | Refer Note. 2 |

M. Anand


| Particulars | Clause of Listing Agreement | Compliance Status (Yes / No) | Remarks |
|--|-----------------------------|------------------------------|---------------|
| (1) | (2) | (3) | (4) |
| VIII. Disclosures | 49(VIII) | | |
| (A) Related party transactions | 49(VIIA) | Yes | Refer Note. 2 |
| (B) Disclosure of Accounting Treatment | 49(VIIIB) | Yes | - |
| (C) Remuneration of Directors | 49(VIIIC) | Yes | - |
| (D) Management | 49(VIIID) | Yes | - |
| (E) Shareholders | 49(VIIIE) | Yes | - |
| (F) Proceeds from Public issues, rights issue, preferential issues, etc. | 49(VIIIF) | N.A. | - |
| IX. CEO/CFO Certification | 49(IX) | Yes | Refer Note. 1 |
| X. Report on Corporate Governance | 49(X) | Yes | Refer Note. 1 |
| VII. Compliance | 49(XI) | Yes | Refer Note. 1 |

Note:1 The Annual Report disclosure requirements have been complied in the Annual Report for the Financial Year 2014-15.

Note: 2 The Company has entered into transactions with HCL America Inc., (a wholly owned step down subsidiary of the Company) a Related Party under Clause 49(VII) of the Listing Agreement in regard to rendering / obtaining of services, product sales and other miscellaneous income all aggregating to Rs.1,815.16 crores for quarter ended September 30, 2015. These transactions may be regarded as material in terms of the Listing Agreement.



Compliance report with the requirements specified in Part-A of the circular CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013

Sub: Application under Clause 24(f) of the listing agreement for the proposed scheme of Arrangement between HCL Technologies Limited and its wholly owned subsidiary HCL Comnet Limited

In connection with the above application, we hereby confirm that we satisfy all the conditions as stipulated in the aforesaid SEBI circular, as given hereunder:

| Sr. No. | Requirements as per CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013 | Whether Complied or not & How |
|---|--|--|
| 1. | Listed companies shall choose one of the stock exchanges having nation-wide trading terminals as the designated stock exchange for the purpose of coordinating with SEBI. | National Stock Exchange of India Limited |
| Compliance as per Part A, Annexure I to the Circular | | |
| 2. | Documents to be submitted: | |
| 2.a | Draft Scheme of arrangement/ amalgamation/ merger/ reconstruction/ reduction of capital, etc. | Complied – enclosed as Annexure - 2 |
| 2.b | Valuation Report from Independent Chartered Accountant | Not Applicable |
| 2.c | Report from the Audit Committee recommending the Draft Scheme | Complied – enclosed as Annexure - 3 |
| 2.d | Fairness opinion by merchant banker | Complied – enclosed as Annexure- 4 |
| 2.e | Pre and post amalgamation shareholding pattern of unlisted company | Complied – enclosed as Annexure- 5 |
| 2.f | Audited financials of last 3 years (financials not being more than 6 months old) of unlisted company; | Complied – enclosed as Annexure -6 |
| 2.g | Compliance with Clause 49 of Listing Agreement | Complied – enclosed as Annexure- 7 |
| 2.h | Complaints Report | Noted for compliance as per time limit |
| 3. | The equity shares sought to be listed are proposed to be allotted by the unlisted Issuer (transferee entity) to the holders of securities of a listed entity (transferor entity) pursuant to a scheme of reconstruction or amalgamation (Scheme) sanctioned by a High Court under Section 391-394 of the Companies Act, 1956 | Not Applicable- since, consideration is for cash |
| 4. | At least 25% of the post scheme paid up share capital of the transferee entity shall comprise of shares allotted to the public holders in the transferor entity. | Not Applicable- since, consideration is for cash |
| 5. | The transferee entity will not issue/reissue any shares, not covered under the Draft scheme. | Not Applicable- since, consideration is for cash |



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|----|--|---|
| 6. | As on date of application there are no outstanding warrants/ instruments/ agreements which give right to any person to take the equity shares in the transferee entity at any future date. If there are such instruments stipulated in the Draft scheme, the percentage referred to in point (4) above, shall be computed after giving effect to the consequent increase of capital on account of compulsory conversions outstanding as well as on the assumption that the options outstanding, if any, to subscribe for additional capital will be exercised. | There are no outstanding warrants/ instruments/ agreements which give right to any person to take the equity shares in the transferee at any future date. |
| 7. | The shares of the transferee entity issued in lieu of the locked-in shares of the transferor entity are subjected to the lock-in for the remaining period. | Not Applicable- since, consideration is for cash |

Date: October 30, 2015

Place: Noida (U.P.)

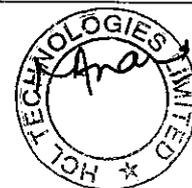
For HCL Technologies Limited


Manish Anand
 Company Secretary



Brief particulars of the transferee/resulting and transferor/demerged companies

| Particulars | Transferee/ Resulting Company | Transferor/ Demerged Company |
|---|--|---|
| Name of the company | HCL Comnet Limited | HCL Technologies Limited |
| Date of Incorporation & details of name changes, if any | August 8, 2001 | November 12, 1991 |
| Registered Office | 806, Siddharth 96, Nehru Place New Delhi-110001 | 806, Siddharth 96, Nehru Place New Delhi-110001 |
| Brief particulars of the scheme | Upon coming into effect of this Scheme and with effect from the Appointed Date, the India System Integration Business ('ISIB') Undertaking belonging to the Transferor Company shall stand transferred and vested into the Transferee Company, as a going concern without any further act, deed, instrument, matter or thing, together with its assets, properties, liabilities, rights, benefits, obligations, privileges and interests therein, subject to existing charges, if any. | |
| Rationale for the scheme | <ul style="list-style-type: none"> i. Simplified and transparent business structure of the Transferor Company and Transferee Company; ii. More focused management of the Transferor Company and Transferee Company; iii. Greater visibility in the performance of the individual businesses; iv. Higher degree of independence as well as accountability with autonomy for each of the business segment; v. Will thrive in achieving and sustaining competitiveness and development of long-term internal and core competencies; vi. Will also provide for independent collaboration and expansion without committing the existing organization in its entirety; and vii. Will create a platform to enhance financial flexibility to pursue the next stage of growth. | |
| Date of resolution passed by the Board of Directors of the company approving the scheme | September 29, 2015 | October 16, 17 & 19, 2015 |



| | | |
|--|--|---|
| Date of meeting of the Audit Committee in which the draft scheme has been approved | September 29, 2015 | October 16, 2015 |
| Appointed Date | July 1, 2015 | July 1, 2015 |
| Name of Exchanges where securities of the company are listed | Unlisted Company | NSE & BSE |
| Nature of Business | The Company is currently engaged in providing technology services to customers in India. The Transferee Company provides data communication services which includes trading of satellite and non-satellite based communication equipment such as VSAT, Routers, Switches, Modems etc., application operation services and services related to installation and maintenance of networking equipment. The Transferee Company provides its services across Defense, Financial Services, Government, Telecom, PSU's, Energy and utilities. | The Company primarily drives its revenue from an integrated portfolio of services including Software-led IT solutions, Remote Infrastructure Management, Engineering, R&D Services and Business Process Outsourcing Services. The Transferor Company provides holistic, multi-service delivery in key industry verticals including Financial Services, Manufacturing, Consumer Services, Public Services and Healthcare & Life Sciences |
| Capital before the scheme | Rs.94,99,000 comprised of 9,49,900 equity shares of face value of Rs.10/- each | Rs.2,812,641,396 comprised of 1,406,320,698 equity shares of face value of Rs.2/- each |
| No. of shares to be issued | Nil | |
| Cancellation of shares on account of cross holding, if any | Not applicable | Not applicable |
| Capital after the scheme | Rs. 94,99,000 comprised of 9,49,900 equity shares of face value of Rs.10/- each | Rs.2,812,641,396 comprised of 1,406,320,698 equity shares of face value of Rs.2/- each * * No. of shares may increase due to allotment of shares pursuant to Employees Stock option plan of the Company. |
| Net Worth (Rs. in crores) | | |
| Pre | 19,240.78 | 237.68 |
| Post | 19,240.78 | 237.68 |



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| | | | | |
|--|---|----------------|----------------------|----------------|
| Valuation by independent Chartered Accountant - Name of the valuer/valuer firm and Regn no. | Not Applicable | | | |
| Methods of valuation and value per share arrived under each method with weight given to each method, if any. | Not Applicable | | | |
| Fair value per shares Rs. | Not applicable | | Not applicable | |
| Exchange ratio | Not applicable | | | |
| Name of Merchant Banker giving fairness opinion | M/s. Karvy Investor Services Limited | | | |
| Shareholding pattern HCL Technologies Limited (Transferor Company) As on June 30, 2015 | Pre | | Post | |
| | No. of Shares | % of holding | No. of Shares | % of holding |
| Promoter | 851,720,828 | 60.58% | 851,720,828 | 60.58% |
| Public | 554,257,590 | 39.42% | 554,257,590 * | 39.42% |
| Custodian | - | - | - | - |
| TOTAL | 1,405,978,418 | 100.00% | 1,405,978,418 | 100.00% |
| No of shareholders | 1,26,177 | | 1,26,177 | |
| Names of the Promoters | i. Vama Sundari Investments (Delhi) Pvt. Ltd. ii. HCL Corporation Private Limited iii. HCL Holdings Private Limited iv. Mr. Shiv Nadar v. Ms. Kiran Nadar vi. Ms. Roshni Nadar Malhotra vii. SSN Trust | | | |
| Names of the Board of Directors | i. Mr. Sivaprasad Sivasubramaniam Nadar ii. Ms. Roshni Nadar Malhotra iii. Mr. Amal Ganguli iv. Mr. Keki Minoo Mistry v. Mr. Ramanathan Srinivasan vi. Ms. Robin Ann Abrams vii. Mr. Sudhindar Krishan Khanna viii. Mr. Subramanian Madhavan ix. Dr. Sosale Shankara Sastry x. Mr. Thomas Sieber | | | |
| Details regarding change in management control if any | None | | | |

* No. of public shareholders and their shareholding may change due to allotment of shares pursuant to Employees Stock option plan of the Company.

M. Anand



| Shareholding pattern HCL Comnet Limited (Transferee Company) As on June 30, 2015 | Pre | | Post | |
|---|---|--------------|---------------|--------------|
| | No. of Shares | % of holding | No. of Shares | % of holding |
| Promoter (HCL Technologies Limited and its 6 nominees) | 9,49,900 | 100% | 9,49,900 | 100% |
| Public | - | - | - | - |
| Custodian | - | - | - | - |
| TOTAL | 9,49,900 | 100% | 9,49,900 | 100% |
| No of shareholders | 7 | | 7 | |
| Names of the Promoters | HCL Technologies Limited | | | |
| Names of the Board of Directors | i. Mr. Prahlad Rai Bansal ii. Mr. Atul Kumar Jain iii. Mr. Manish Anand iv. Ms. Poornima Savargaonkar v. Ms. Renu Kawatra | | | |
| Details regarding change in management control if any | None | | | |

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PRYD & Associates

CHARTERED ACCOUNTANTS



Net-worth certificate

M/s. **HCL Technologies Limited**, a Company incorporated under the Companies Act, 1956 and having its registered office at 806, Siddharth, 96, Nehru Place, New Delhi-110019 has requested us to issue a certificate of net-worth as on June 30, 2015 for onward submission with the National Stock Exchange of India Limited and BSE Limited in connection with the approval of a Scheme of Arrangement for transfer of 'India System Integration Business' of the Company to its wholly owned subsidiary, **HCL Comnet Limited** on a going concern basis with an objective to have simplified business structure with greater visibility in the performance of individual businesses.

As per the relevant records, information and explanations given to us and based on our examination of above, we hereby certify the net-worth of the Companies as on **June 30, 2015** as under:

HCL Technologies Limited

Statement of Computation of Indicative Net worth Pre and Post the Scheme of Arrangement

| Particulars | Amount in (Rs/ Crores) | |
|---|----------------------------|----------------------------|
| | Pre-Scheme of Arrangement | Post-Scheme of Arrangement |
| | As at June 30, 2015 | |
| Share Capital | | |
| A). Equity Shares- Issued & fully paid-up | 281.20 | 281.20 |
| Reserves and Surplus * | | |
| Securities Premium Account | 1,881.21 | 1,881.21 |
| General Reserve | 2,639.20 | 2,639.20 |
| Net surplus in the statement of Profit and Loss Account | 14,439.17 | 14,439.17 |
| B). Total Reserves and Surplus | 18,959.58 | 18,959.58 |
| C). Less: Miscellaneous Expenditure written off | - | - |
| Networth(A+B-C) | 19,240.78 | 19,240.78 |

Note: Free Reserves have been considered as per Section 2(43) of the Companies Act, 2013

Date – 30-Oct-15
Place – New Delhi, India

For **PRYD & Associates**
FRN – 011626N
Chartered Accountants



M.No. 094667

PRYD & Associates
CHARTERED ACCOUNTANTS



HCL Comnet Limited

Statement of Computation of Indicative Net worth Pre and Post the Scheme of Arrangement

| Particulars | <i>Amount in (Rs/ Crores)</i> | |
|---|-------------------------------|----------------------------|
| | Pre-Scheme of Arrangement | Post-Scheme of Arrangement |
| <i>As at June 30, 2015</i> | | |
| Share Capital | | |
| A). Equity Shares- Issued & fully paid-up | 0.95 | 0.95 |
| Reserves and Surplus * | | |
| Securities Premium Account | 53.99 | 53.99 |
| Net surplus in the statement of Profit and Loss Account | 182.67 | 182.67 |
| B). Total Reserves and Surplus | 236.67 | 236.67 |
| C). Less: Miscellaneous Expenditure written off | - | - |
| Networth | 237.62 | 237.62 |

Note: Free Reserves have been considered as per Section 2(43) of the Companies Act, 2013

For **PRYD & Associates**
FRN – 011626N
Chartered Accountants

Date – 30-Oct-15
Place – New Delhi, India



M.No. 094667

| Capital Evolution details- HCL Technologies Limited | | | | | |
|---|----------------------|-------------------|--|-----------------------------------|---|
| Date of Issue/ | No. of Shares issued | Issue Price (Rs.) | Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.) | Cumulative capital (No of shares) | Whether listed, if not listed, give reasons thereof |
| 1999-2000 | 74688188 | - | Shares Prior to Public Issue of face value of Rs.4/- each | 124480313 | Yes |
| | 14200000 | 580 | Allotment of Shares under Initial Public Offering of the Company in December 1999. | 138680313 | Yes |
| | 1083218 | 4 * | Shares allotted under Employees Stock Option Plan of the Company. | 139763531 | Yes |
| 2000-2001 | 1862384 | 4 * | Shares allotted under Employees Stock Option Plan of the Company. | 141625915 | Yes |
| After sub-division of Rs.4/- ordinary shares into Rs.2/- each | | | | | |
| | 141625915 | - | W.e.f. 12.12.2000, each equity shares of Rs. 4/- each was sub-divided into 2 equity shares of Rs. 2/- each. The number of shares in Col 2 is the difference between the number of shares after and before the Stock Split. | 283251830 | Yes |
| | 1667878 | 2 * | Shares allotted under Employees Stock Option Plan of the Company, after 12.12.2000. | 284919708 | Yes |
| 2001-2002 | 2964582 | 2 * | Shares allotted under Employees Stock Option Plan of the Company. | 287884290 | Yes |
| 2002-2003 | 552348 | 2 * | Shares allotted under Employees Stock Option Plan(s) of the Company. | 288436638 | Yes |
| 2003-2004 | 7090990 | 2 | Pursuant to Scheme of Arrangement between HCL Infosystems Ltd. and HCL Technologies Ltd. 70,90,990 equity shares of face value of Rs.2/- each were issued. | 295527628 | Yes |
| | 552810 | 2 * | Shares allotted under Employees Stock Option Plan(s) of the Company. | 296080438 | Yes |
| 2004-2005 | 3775357 | 2 * | Shares allotted under Employees Stock Option Plan(s) of the Company. | 299855795 | Yes |
| | 19358989 | 361 | Preferential allotment of 1,93,58,989 equity shares to Deutsche Bank AG ("DBAG") towards consideration for acquiring balance 49% stake in the Joint Venture with DBAG. | 319214784 | Yes |



| Date of Issue/ | No. of Shares issued | Issue Price (Rs.) | Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.) | Cumulative capital (No of shares) | Whether listed, if not listed, give reasons thereof |
|----------------|----------------------|-------------------|---|-----------------------------------|---|
| 2005-2006 | 4227566 | 2 * | Shares allotted under Employees Stock Option Plan(s) of the Company. | 323442350 | Yes |
| 2006-2007 | 2011568 | 2 * | Shares allotted under Employees Stock Option Plan(s) of the Company. | 325453918 | Yes |
| | 325453918 | - | Issuance of bonus shares in the ratio of 1 equity shares for every 1 share held. | 650907836 | Yes |
| | 12775280 | 2 * | Shares allotted under Employees Stock Option Plan(s) of the Company, after bonus issue. | 663683116 | Yes |
| 2007-2008 | 2657156 | 2 * | Shares allotted under Employees Stock Option Plan(s) of the Company. | 666340272 | Yes |
| 2008-2009 | 3916328 | 2 * | Shares allotted under Employees Stock Option Plan(s) of the Company. | 670256600 | Yes |
| 2009-2010 | 8527212 | 2 * | Shares allotted under Employees Stock Option Plan(s) of the Company. | 678783812 | Yes |
| 2010-2011 | 9904712 | 2 * | Shares allotted under Employees Stock Option Plan(s) of the Company. | 688688524 | Yes |
| 2011-2012 | 4594952 | 2 * | Shares allotted under Employees Stock Option Plan(s) of the Company. | 693283476 | Yes |
| 2012-2013 | 3576256 | 2 * | Shares allotted under Employees Stock Option Plan(s) of the Company. | 696859732 | Yes |
| | 10125 | 2 | Shares allotted under Scheme of Arrangement with HCL Comnet Systems & Services Ltd. | 696869857 | Yes |
| 2013-2014 | 3106524 | 2 * | Shares allotted under Employees Stock Option Plan(s) of the Company. | 699976381 | Yes |
| 2014-2015 | 3154076 | 2 * | Shares allotted under Employees Stock Option Plan(s) of the Company. | 703130457 | Yes |
| | 702847961 | - | Issuance of bonus shares in the ratio of 1 equity shares for every 1 share held. | 1405978418 | Yes |
| 2015-2016 | 342280 | 2 * | Shares allotted under Employees Stock Option Plan(s) of the Company. | 1406320698 | Yes |

* Shares under ESOP have been allotted at various prices.



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HCL COMNET LTD.

(A subsidiary of HCL TECHNOLOGIES LTD.)

Corporate Identity Number: U74899DL2001PLC111951

A-10/11, Sector 3, NOIDA 201 301, UP., India

T: +91 120 4362800 F: +91 120 2539799

Registered Office: 806 Siddharth, 96, Nehru Place, New Delhi-110019, India

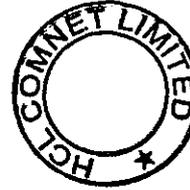
www.hclcomnet.co.in

www.hclisd.com

Annexure - 11**Capital Evolution details- HCL Comnet Limited**

| Date of Issue | No. of shares issued | Issue Price (Rs.) | Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.) | Cumulative capital (No of shares) | Whether listed, if not listed, give reasons thereof |
|---------------|----------------------|-------------------|--|-----------------------------------|---|
| 14-Aug-01 | 50,000 | 10 | Subscription to MoA | 50,000 | No- Unlisted company |
| 5-Dec-01 | 449,900 | 610 | Fresh Issue of shares | 499,900 | No- Unlisted company |
| 24-Jun-04 | 450,000 | 610 | Fresh Issue of shares | 949,900 | No- Unlisted company |

For HCL Comnet Limited

*Manish Anand*Manish Anand
(Director)

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Confirmation by the Company Secretary

To,
The General Manager,
Department of Corporate Services,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001.

Dear Sir,

Sub: Application under Clause 24(f) of the listing agreement for the proposed scheme of Arrangement between HCL Technologies Limited and its wholly owned subsidiary HCL Comnet Limited

In connection with the above application, we hereby confirm that:

- a) The proposed scheme of ~~amalgamation/~~ arrangement does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions as explained in clause 24(g) of the Listing agreement or the requirements of BSE Limited.
- b) In the explanatory statement, if required, to be forwarded by the company to the shareholders u/s 393 ~~or accompanying a proposed resolution to be passed u/s 100~~ of the Companies Act, it shall disclose:
 - i) the pre and post-arrangement or ~~amalgamation (expected)~~ capital structure and shareholding pattern and
 - ii) the "fairness opinion" obtained from an Independent merchant banker on ~~valuation of assets / shares done by the valuer for the fairness of the Scheme between the Company and unlisted Company.~~
 - iii) The Complaint report as per the format given in Annexure III.
 - iv) The observation letter issued by the Stock Exchanges.
- c) The draft scheme of ~~amalgamation/~~ arrangement together with all documents mentioned in Clause 5.16 (c) SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, shall be disseminated on company's website as per www.hcltech.com given hereunder:
- d) The Company shall disclose the observation letter of the stock exchange on its website within 24 hours of receiving the same.
- e) The Company shall obtain shareholders' approval, if required, by way of special resolution passed through postal ballot/ e-voting.



M. Anand
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- f) The documents filed by the Company with the Exchange are same/ similar/ identical in all respect, which have been filled by the Company with Registrar of Companies/SEBI/Reserve Bank of India, wherever applicable.
- g) There will be no alteration in the Share Capital of the unlisted transferor company from the one given in the draft scheme of amalgamation/ arrangement.

Date: October 30, 2015

Place: Noida (U.P.)

For HCL Technologies Limited



Manish Anand
Company Secretary



HCL TECHNOLOGIES LIMITED

INDIAN - GAAP

STANDALONE FINANCIAL STATEMENT

For the year ended 30 June 2015

INDEPENDENT AUDITOR'S REPORT

To the Members of HCL Technologies Limited

Report on the Financial Statements

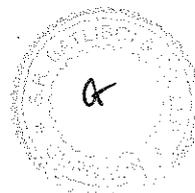
We have audited the accompanying Standalone Financial Statements of HCL Technologies Limited ("the Company"), which comprise the Balance Sheet as at June 30, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at June 30, 2015, its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on June 30, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on June 30, 2015, from being appointed as a director in terms of section 164 (2) of the Act;



S.R. BATLIBOI & Co. LLP

Chartered Accountants

- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as of June 30, 2015;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as of June 30, 2015;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S.R. BATLIBOI & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E



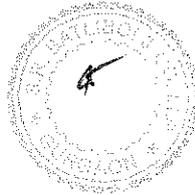
per **Tridibes Basu**

Partner

Membership Number: 17401

Place: Gurgaon, India

Date: August 3, 2015



Annexure referred to in paragraph 1 of the section on "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: HCL Technologies Limited (the Company)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets were physically verified by the management in accordance with a planned programme of verifying them in phased manner over the period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.



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- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

| Name of the Statute | Nature of Dues | Amount (Rs.) | Period to which the amount relates | Forum where dispute is pending |
|-----------------------|----------------|---------------|------------------------------------|--------------------------------------|
| Income Tax Act, 1961# | Income Tax | 14,466,193 | 2011-12 | Commissioner of Income Tax (Appeals) |
| Income Tax Act, 1961# | Income Tax | 121,896,648 | 2010-11 | Commissioner of Income Tax (Appeals) |
| Income Tax Act, 1961# | Income Tax | 1,959,632 | 2009-10 | Commissioner of Income Tax (Appeals) |
| Income Tax Act, 1961# | Income Tax | 126,674 | 2004-05 | Commissioner of Income Tax (Appeals) |
| Income Tax Act, 1961 | Income Tax | 925,475,897 | 2010-11 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961 | Income Tax | 494,096,804 | 2009-10 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961 | Income Tax | 1,797,077,617 | 2007-08 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961# | Income Tax | 88,854,241 | 2006-07 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961 | Income Tax | 1,590,135,881 | 2006-07 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961# | Income Tax | 650,674 | 2005-06 | Commissioner of Income Tax (Appeals) |
| Income Tax Act, 1961 | Income Tax | 137,097,922 | 2005-06 | Commissioner of Income Tax (Appeals) |
| Income Tax Act, 1961 | Income Tax | 9,825,346 | 2005-06 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961 | Income Tax | 82,365,915 | 2005-06 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961 | Income Tax | 14,660,911 | 2005-06 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961* | Income Tax | 59,070,422 | 2005-06 | Delhi High Court |
| Income Tax Act, 1961# | Income Tax | 20,696 | 2004-05 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961 | Income Tax | 17,640,000 | 2004-05 | Delhi High Court |
| Income Tax Act, 1961* | Income Tax | 73,604,302 | 2004-05 | Delhi High Court |
| Income Tax Act, 1961 | Income Tax | 440,744,283 | 2004-05 | Supreme Court of India |



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| Name of the Statute | Nature of Dues | Amount (Rs) | Period to which the amount relates | Forum where dispute is pending |
|---|----------------|-------------|------------------------------------|--|
| Income Tax Act, 1961* | Income Tax | 23,055,804 | 2004-05 | Delhi High Court |
| Income Tax Act, 1961# | Income Tax | 217,648 | 2003-04 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961* | Income Tax | 208,566,888 | 2003-04 | Delhi High Court |
| Income Tax Act, 1961 | Income Tax | 1,660,000 | 2003-04 | Delhi High Court |
| Income Tax Act, 1961 | Income Tax | 109,913,332 | 2003-04 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961 | Income Tax | 14,255,745 | 2003-04 | Supreme Court of India |
| Income Tax Act, 1961 | Income Tax | 18,280,770 | 2002-03 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961 | Income Tax | 66,575,462 | 2002-03 | Supreme Court of India |
| Income Tax Act, 1961 | Income Tax | 2,852,500 | 2001-02 | Delhi High Court |
| Finance Act 1994, read with Service Tax Rules, 1994 | Service Tax | 1,141,542 | 2006-11 | Customs ,Excise, Service Tax Appellant Tribunal, New Delhi |
| Finance Act 1994, read with Service Tax Rules, 1994 | Service Tax | 413,219 | 2009-10 | Customs ,Excise, Service Tax Appellant Tribunal, New Delhi |
| Finance Act 1994, read with Service Tax Rules, 1994 | Service Tax | 21,512,883 | 2006-07 | Commissioner Appeals, Central Excise, Noida |
| Finance Act 1994, read with Service Tax Rules, 1994 | Service Tax | 8,162,466 | 2006-07 | Customs ,Excise, Service Tax Appellant Tribunal, New Delhi |
| Central Excise Act, 1944 | Excise Act | 17,367,443 | 2011-12 | Customs ,Excise, Service Tax Appellant Tribunal, Chennai |
| Customs Act, 1962 | Custom Duty | 5,517,609 | 2005-06 | Customs ,Excise, Service Tax Appellant Tribunal, Bangalore |

* In these cases tax demand may arise only if the matter currently subjudice before Honorable Delhi High Court is decided against the Company.

Pursuant to scheme for demerger of IT enabled business of HCL Comnet Systems & Services Limited in FY 2012 - 13



S.R. BATLIBOI & Co. LLP

Chartered Accountants

- (d) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (x) According to the information and explanations given to us, the Company has given guarantee for loans taken by others from banks and financial institutions, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Company.
- (xi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm registration number: 301003E



per Tridibes Basu

Partner

Membership Number: 17401

Place: Gurgaon

Date: August 3, 2015



HCL Technologies Limited
Balance Sheet as at 30 June 2015
(All amounts in crores of ₹)

| | Note No. | As at 30 June 2015 | As at 30 June 2014 |
|--|----------|-------------------------|-------------------------|
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholders' funds | | | |
| (a) Share capital | 2.1 | 281.20 | 140.00 |
| (b) Reserves and surplus | 2.2 | 19,124.53 | 15,605.61 |
| | | <u>19,405.73</u> | <u>15,745.61</u> |
| (2) Share application money pending allotment | 2.3 | 0.02 | 7.65 |
| (3) Non - current liabilities | | | |
| (a) Long-term borrowings | 2.4 | 27.22 | 27.45 |
| (b) Other long-term liabilities | 2.5 | 282.94 | 515.43 |
| (c) Long term provisions | 2.6 | 198.77 | 175.28 |
| | | <u>508.93</u> | <u>718.16</u> |
| (4) Current liabilities | | | |
| (a) Short term borrowings | 2.7 | - | 29.25 |
| (b) Trade payables | 2.8 | 468.58 | 392.47 |
| (c) Other current liabilities | 2.8 | 3,643.67 | 4,006.16 |
| (d) Short term provisions | 2.9 | 888.13 | 915.20 |
| | | <u>5,000.38</u> | <u>5,343.08</u> |
| TOTAL | | <u><u>24,915.06</u></u> | <u><u>21,814.50</u></u> |
| II. ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Fixed Assets | | | |
| (i) Tangible assets | 2.10 | 3,024.98 | 2,404.30 |
| (ii) Intangible assets | 2.10 | 39.25 | 44.27 |
| (iii) Capital work in progress | | 543.95 | 518.50 |
| | | <u>3,608.18</u> | <u>2,967.07</u> |
| (b) Non-current investments | 2.11 | 3,500.23 | 3,539.72 |
| (c) Deferred tax assets (net) | 2.12 | 217.88 | 311.79 |
| (d) Long term loans and advances | 2.13 | 1,106.39 | 791.65 |
| (e) Other non-current assets | 2.14 | 308.10 | 177.75 |
| | | <u>8,740.78</u> | <u>7,807.98</u> |
| (2) Current Assets | | | |
| (a) Current investments | 2.11 | 624.73 | 556.29 |
| (b) Inventories | 2.15 | 83.65 | 15.54 |
| (c) Trade receivables | 2.16 | 3,578.28 | 3,224.19 |
| (d) Cash and bank balances | 2.17 | 8,829.41 | 7,911.08 |
| (e) Short - term loans and advances | 2.18 | 1,657.70 | 984.32 |
| (f) Other current assets | 2.19 | 1,400.51 | 1,315.10 |
| | | <u>16,174.28</u> | <u>14,006.52</u> |
| TOTAL | | <u><u>24,915.06</u></u> | <u><u>21,814.50</u></u> |

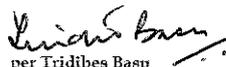
Summary of significant accounting policies

1 & 2

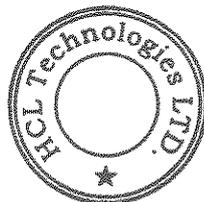
The accompanying notes are an integral part of the financial statements

As per our report of even date

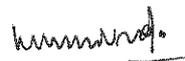
FOR S. R. BATLIBOI & CO. LLP
ICAI Firm Registration Number : 301003E
Chartered Accountants


per Pradip Basu
Partner
Membership Number: 17401

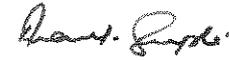
Gurgaon, India
03 August 2015



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



Shiv Nadar
Chairman and Chief Strategy Officer



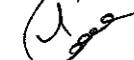
Anant Gupta
President and Chief Executive Officer


Manish Anand
Company Secretary

Noida (UP), India
03 August 2015



Anil Ganiguli
Director



Anil Chanana
Chief Financial Officer



HCL Technologies Limited
Statement of Profit and Loss for the year ended 30 June 2015
(All amounts in crores of ₹ except share data unless otherwise stated)

| | Note No. | Year ended 30 June 2015 | Year ended 30 June 2014 |
|--|------------------|----------------------------|----------------------------|
| Income | | | |
| Revenue from operations | 2.20 | 17,153.44 | 16,497.37 |
| Other income | 2.21 | 1,199.50 | 659.12 |
| Total revenue | | 18,352.94 | 17,156.49 |
| Expenses | | | |
| Purchase of traded goods | | 363.76 | 345.37 |
| Change in inventories of traded goods | 2.22 | (66.23) | 64.75 |
| Employee benefits expense | 2.23 | 5,924.62 | 5,123.95 |
| Finance costs | 2.24 | 60.64 | 81.65 |
| Depreciation and amortization expense | 2.10 | 299.92 | 490.70 |
| Other expenses | 2.25 | 4,071.69 | 3,652.41 |
| Total expenses | | 10,654.40 | 9,758.83 |
| Profit before tax | | 7,698.54 | 7,397.66 |
| Provision for tax | | | |
| Current tax | | 1,610.45 | 1,555.74 |
| MAT credit entitlement | | (310.43) | (115.91) |
| Deferred tax charge/(credit) | | 52.57 | (26.79) |
| Total tax expense | | 1,352.59 | 1,413.04 |
| Profit for the year | | 6,345.95 | 5,984.62 |
| Earnings per equity share of par value ₹ 2 each | 2.32 | | |
| Basic (in ₹) | | 45.17 | 42.83 |
| Diluted (in ₹) | | 44.91 | 42.26 |
| Summary of significant accounting policies | 1 & 2 | | |

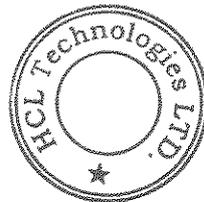
The accompanying notes are an integral part of the financial statements

As per our report of even date

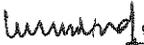
FOR S. R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E
Chartered Accountants

per Tridibes Basu
Partner
Membership Number: 17401

Gurgaon, India
03 August 2015



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



Shiv Nadar
Chairman and Chief Strategy Officer



Amal Ganguli
Director



Anant Gupta
President and Chief Executive Officer



Anil Chanana
Chief Financial Officer

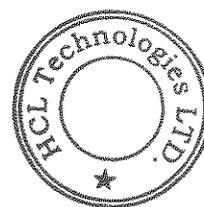


Manish Anand
Company Secretary

Noida (UP), India
03 August 2015

HCL Technologies Limited
Cash flow statement
(All amounts in crores of ₹)

| | Year ended 30 June 2015 | Year ended 30 June 2014 |
|---|----------------------------|----------------------------|
| A. Cash flows from operating activities | | |
| Profit before tax | 7,698.54 | 7,397.66 |
| Adjustment for: | | |
| Depreciation and amortization | 299.92 | 490.70 |
| Interest income | (795.95) | (533.16) |
| Dividend income | (78.24) | (24.68) |
| Profit on sale of investments (net) | (33.76) | (50.42) |
| Interest expenses | 16.11 | 72.35 |
| Profit on sale of fixed assets (net) | (97.06) | (47.97) |
| Employee stock compensation expense/(written back) | (15.39) | 30.92 |
| Other non cash (benefits)/charges | (24.08) | 53.43 |
| Operating profit before working capital changes | 6,970.09 | 7,388.83 |
| Movement in Working Capital | | |
| (Increase)/decrease in trade receivables | (342.84) | (559.87) |
| (Increase)/decrease in inventories | (68.34) | 67.16 |
| (Increase)/decrease in loans and advances | (77.35) | 5.89 |
| (Increase)/decrease in other assets | (197.31) | (122.24) |
| Increase/ (decrease) in liabilities and provisions | 501.57 | 601.21 |
| Cash generated from operations | 6,785.82 | 7,380.98 |
| Direct taxes paid (net of refunds) | (1,450.15) | (1,233.76) |
| Net cash flow from operating activities (A) | 5,335.67 | 6,147.22 |
| B. Cash flows from investing activities | | |
| Proceeds from bank deposit on maturity | 7,670.35 | 2,653.02 |
| Investments in bank deposits | (8,396.68) | (7,670.35) |
| Purchase of investments in securities | (7,774.96) | (7,354.54) |
| Proceeds from sale of investments in securities | 7,740.27 | 7,344.65 |
| Payment for investment in mutual fund - units allotted on 01 July, 2014 | - | (55.00) |
| Deposits placed with body corporate | (1,193.00) | (564.00) |
| Proceeds from maturity of deposits placed with body corporate | 564.00 | 680.50 |
| Proceeds from repayment of loans given to subsidiaries | - | 414.00 |
| Proceeds from redemption of preference shares | 59.49 | - |
| Advance against sale of building | - | 108.00 |
| Purchase of fixed assets, including capital work in progress and capital advances | (1,059.29) | (605.06) |
| Proceeds from sale of fixed assets | 7.69 | 60.47 |
| Dividend received | 78.24 | 24.68 |
| Interest received | 810.32 | 488.62 |
| Taxes paid | (269.47) | (180.53) |
| Net cash flow used in investing activities (B) | (1,763.04) | (4,655.54) |
| C. Cash flows from financing activities | | |
| Proceeds from issue of share capital | 10.45 | 34.47 |
| Repayment of debentures | (500.00) | - |
| Proceeds from long term borrowings | 17.54 | 11.11 |
| Repayment of long term borrowings | (15.92) | (13.97) |
| Proceeds from short term borrowings | 425.07 | 28.78 |
| Repayment of short term borrowings | (454.33) | (82.00) |
| Dividend paid | (2,385.11) | (1,118.39) |
| Corporate dividend tax | (439.27) | (184.45) |
| Interest paid | (18.64) | (72.88) |
| Principal payment on finance lease obligations | - | (0.34) |
| Net cash flow used in financing activities (C) | (3,360.21) | (1,397.67) |
| Net increase / (decrease) in cash and cash equivalents (A+B+C) | 212.42 | 94.01 |
| Effect of exchange differences on cash and cash equivalents held in foreign currency | (20.42) | (9.09) |
| Cash and cash equivalents at the beginning of the year | 240.73 | 155.81 |
| Cash and cash equivalents at the end of the year as per note 2.17 (a) (refer note below) | 432.73 | 240.73 |
| Summary of significant accounting policies (Note 1) | | |



Note:

Cash and cash equivalents include the following:

Investor education and protection fund-unclaimed dividend *

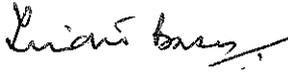
2.99

2.51

* The Company can utilize these balances only towards the settlement of the respective above mentioned liabilities:

As per our report of even date.

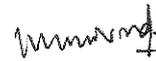
FOR S. R. BATLIBOI & CO. LLP
ICAI Firm Registration Number : 301003E
Chartered Accountants



per Tridibes Basu
Partner
Membership Number: 17401

Gurgaon, India
03 August 2015

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



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Chairman and Chief Strategy Officer



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Anil Chanana
Chief Financial Officer



Manish Anand
Company Secretary

Noida (UP), India
03 August 2015



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Company Overview

HCL Technologies Limited (hereinafter referred to as 'HCL' or the 'Company') is primarily engaged in providing a range of software services, business process outsourcing services and IT infrastructure services. The Company was incorporated in India in November 1991. The Company leverages its extensive offshore infrastructure and global network of offices and professionals located in various countries to deliver solutions across select verticals including financial services, manufacturing (automotive, aerospace, hi-tech and semi conductors), telecom, retail and consumer packaged goods services, media, publishing and entertainment, public services, energy and utility, healthcare and travel, transport and logistics.

1. Significant Accounting Policies

a) Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). These financial statements have been prepared to comply in all material aspects with the applicable accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared under the historical cost convention on an accrual and going concern basis except for certain financial instruments which are measured at fair value.

The accounting policies adopted in the preparation of the financial statements are consistent with those of the previous year unless stated specifically in the accounting policies below.

b) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates.

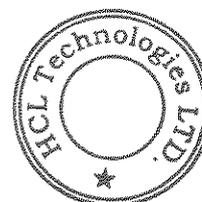
c) Tangible fixed assets and capital work-in-progress

Fixed assets 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.

Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses on existing fixed assets, including day - to - day repairs, maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed 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.

Fixed assets under construction and cost of assets not ready for use before the year - end, are disclosed as capital work - in - progress.



HCL Technologies Limited**Notes to financial statements for the year ended 30 June 2015**

(All amounts in crores of ₹, except share data and as stated otherwise)

d) Depreciation on tangible fixed assets

Depreciation on tangible fixed assets is provided on the straight-line method over their estimated useful lives, as determined by the management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

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

| | Life (in years) |
|---|--|
| Land-leasehold | Over the period of lease (up to maximum of 99 years) |
| Buildings | 20 |
| Plant and machinery (including, air conditioners and electrical installations) | 10 |
| Office equipments | 5 |
| Computers | 4-5 |
| Furniture and fixtures | 7 |
| Vehicles - owned | 5 |
| Vehicles - leased | Over the period of lease or 5 years, whichever is lower |
| Leasehold- improvements | Over the remaining period of lease or 4 years, whichever is lower |

The useful lives as given above best represent the period over which the management expects to use these assets, based on technical assessment. Hence, the useful lives for these assets are different from the useful lives prescribed under Part C of Schedule II of the Companies Act 2013.

Till year ended 30 June 2014, to comply with the requirements of Schedule XIV to the Companies Act, 1956, the Company was charging 100% depreciation on assets costing ₹ 5,000/- or less in the year of purchase. However, to comply with the requirement of Schedule II to the Companies Act, 2013, the Company has changed its accounting policy for depreciation of assets costing ₹ 5,000/- or less. As per the revised policy, the Company depreciates such assets over their useful lives as assessed by the management. The management has decided to apply the revised accounting policy prospectively from the accounting year commencing on or after 01 July 2014.

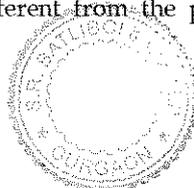
The change in the accounting for depreciation of assets costing ₹ 5,000/- or less did not have any material impact on financial statements of the Company for the current year.

e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following the initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over their estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from the previous estimate, the amortization period is changed



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

accordingly. If there has been a significant change in the expected pattern of economic benefit from the asset, the amortization method is changed to reflect the changed pattern.

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

Goodwill arising out of amalgamation is amortized over 5 years unless a longer period can be justified.

The management's estimates of the useful life of Software is 3 years.

f) Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate all the following:

- (i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (ii) Its intention to complete the asset;
- (iii) Its ability to use or sell the asset;
- (iv) How the asset will generate future economic benefits;
- (v) The availability of adequate resources to complete the development and to use or sell the asset; and
- (vi) The ability to measure reliably the expenditure attributable to the intangible asset during development.

Any expenditure so capitalized is amortized over the period of expected future sales from the related project.

The carrying value of development costs is reviewed annually for impairment when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

g) Leases

Where the Company is the lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value or present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance cost in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of the lease are capitalized.

A leased asset is depreciated on a straight line basis over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight line basis over the shorter of the estimated useful life of the asset or lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Where the Company is the lessor

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 a finance lease are recognized as a receivable at an amount equal to the net investment in the leased assets. 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.

Leases in which the Company does not transfer substantially all the risk and benefits of ownership of the assets, are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight line basis over the lease term. Costs, including depreciation, are recognized as an expense 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.

h) Borrowing cost

Borrowing costs include interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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 respective asset. All other borrowing costs are expensed in the period they occur.

i) Impairment of tangible and intangible assets

An assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible or intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. The recoverable amount is the higher of an asset's or cash generating unit's net selling price or its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

j) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises the purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired by the issue of shares or other securities, the acquisition cost is the fair value of securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried at the lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of the long term investments.



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

k) Inventories

Stock in trade, stores and spares are valued at the lower of the cost or net realizable value. 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 identification of 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) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from sale of goods and rendering of services is recognized when risk and reward of ownership have been transferred to the customer, the sale price is fixed or determinable and collectability is reasonably assured.

The Company derives revenues primarily from:-

- Software services;
- IT Infrastructure services; and
- Business process outsourcing services.

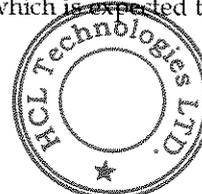
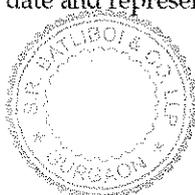
i) Software services

Revenue from software services comprises income from time and material and fixed price contracts. Revenue with respect to time and material contracts is recognized as related services are performed. Revenue from fixed price contracts is recognized in accordance with the percentage completion method under which revenue is recognized on the basis of cost incurred in respect of each contract as a proportion of total cost expected to be incurred. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provision for estimated losses is made during the year in which a loss becomes probable based on current cost estimates. Revenue from sale of licenses for the use of software applications is recognized on transfer of title in the user license. Revenue from annual technical service contracts is recognized on a pro rata basis over the period in which such services are rendered. Income from revenue sharing agreements is recognized when the right to receive is established.

ii) IT Infrastructure services

Revenue from sale of products is recognized when risk and reward of ownership have been transferred to the customer, the sale price is fixed or determinable and collectability is reasonably assured. Revenue related to products with installation services that are critical to the products is recognized when installation of networking equipment at customer site is completed and accepted by the customer. Revenue from bandwidth services is recognized upon actual usage of such services by customers based on either the time for which these services are provided or volume of data transferred or both and excludes service tax. Revenue from maintenance services is recognized ratably over the period of the contract. Revenue from IT infrastructure management services comprises income from time-and-material, and fixed price contracts. Revenue with respect to time-and-material contracts is recognized as related services are performed. Revenue with respect to fixed price contracts is recognized in accordance with the percentage of completion method.

Unearned revenue arising in respect of bandwidth services and maintenance services is calculated on the basis of the unutilized period of service at the balance sheet date and represents revenue which is expected to be earned in future periods in respect of these services.



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

In case of multiple-deliverable contracts where revenue cannot be allocated to various deliverables in a contract, the entire contract is accounted for as one deliverable and accordingly the revenue is recognized on a proportionate completion method following the performance pattern of predominant services in the contract or is deferred until the last deliverable is delivered.

iii) Business process outsourcing services

Revenue from business process outsourcing services is derived from both time based and unit-price contracts. Revenue is recognized as the related services are performed in accordance with the specific terms of the contracts with the customers.

Earnings in excess of billing are classified as unbilled revenue, while billing in excess of earnings are classified as unearned revenue. Incremental revenue from existing contracts arising on future sales of the customers' products will be recognized when it is earned. Revenue and related direct costs from transition services in outsourcing arrangements are deferred and recognized over the period of the arrangement. Certain upfront non-recurring costs incurred in the initial phases of outsourcing contracts and contract acquisition costs, are deferred and amortized usually on a straight line basis over the term of the contract. The Company periodically estimates the undiscounted cash flows from the arrangement and compares it with the unamortized costs. If the unamortized costs exceed the undiscounted cash flow, a loss is recognized.

The Company gives volume discounts and pricing incentives to customers. The discount terms in the Company's arrangements with customers generally entitle the customer to discounts, if the customer completes a specified level of revenue transactions. In some arrangements, the level of discount varies with increases in the levels of revenue transactions. The Company recognizes discount obligations as a reduction of revenue based on the rateable allocation of the discount to each of the underlying revenue transactions that result in progress by the customer toward earning the discount.

Revenues are shown net of sales tax, value added tax, service tax and applicable discounts and allowances.

Revenue from finance leases is recognized when risk of loss is transferred to the customer and there are no unfulfilled obligations that affect the client's final acceptance of the arrangement. Interest attributable to finance leases is recognized on the accrual basis using the effective interest method.

(iv) Others

Interest on the deployment of surplus funds is recognized using the time-proportion method, based on interest rates implicit in the transaction. Brokerage, commission and rent are recognized once the same are earned and accrued to the Company and dividend income is recognized when the right to receive the dividend is established.

m) Foreign currency translation

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency, at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expense in the statement of profit and loss in the year in which they arise.



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

(iv) Hedging

(a) Cash flow hedging

The Company uses derivative financial instruments (foreign currency forward and option contracts) to hedge its risks associated with foreign currency fluctuations relating to certain highly probable forecast transactions.

The use of foreign currency forward and options contracts is governed by the Company's policies, which provide written principles on the use of such financial derivatives, consistent with the Company's risk management strategy. The Company does not use derivative financial instruments for speculative purposes.

The derivative instruments are initially measured at fair value, and are re-measured at subsequent reporting dates. In respect of derivatives designated as hedges, the Company formally documents all relationships between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Company also formally assesses, both at the inception of the hedge and on an ongoing basis, whether each derivative is highly effective in offsetting changes in fair values or cash flows of the hedged item. Changes in the fair value of these derivatives (net of tax) that are designated and effective as hedges of future cash flows are recognized directly in the hedging reserve account under shareholders' funds and the ineffective portion is recognized immediately in the statement of profit and loss. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the statement of profit and loss as they arise.

Hedge accounting is discontinued from the last testing date when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on such hedging instrument recognized in shareholders' funds is retained until the forecast transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in shareholders' funds is transferred to the statement of profit and loss for the year.

(b) Hedging of monetary assets and liabilities

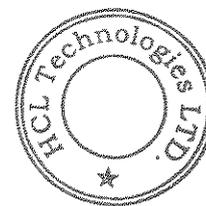
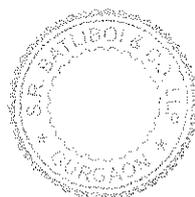
Exchange differences on such contracts are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of a forward exchange contract is recognized as income or as an expense for the year.

(v) Translation of integral and non-integral foreign operation

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation had been those of the Company itself.

In translating the financial statements of a non-integral foreign operation for incorporation in the financial statements, the assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation are translated at the closing rate; and income and expense items of the non-integral foreign operation are translated at weighted average rates, which approximate the actual exchange rates. All resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

On the disposal of a non-integral foreign operation, the cumulative amount of the exchange differences which had been deferred and which relate to that operation are recognized as income or as an expense in the same period in which the gain or loss on disposal is recognized.



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

n) Retirement and other employee benefits

- i. Contributions to provident fund, a defined benefit plan, are deposited with Recognized Provident Fund Trusts, set up by the Company. The Company's liability is actuarially determined at the end of the year. Actuarial losses/ gains are recognized in the statement of profit and loss in the year in which they arise. The minimum interest rate payable by the Trust to the beneficiaries every year is notified by the Government and the Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.
- ii. In respect of superannuation, a defined contribution plan for applicable employees, the Company contributes to a scheme administered on its behalf by an insurance company and such contributions for each year of service rendered by the employees are charged to the statement of profit and loss. The Company has no further obligations to the superannuation plan beyond its contributions.
- iii. Gratuity liability: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's base salary and the tenure of employment (subject to maximum of ₹ 10 Lacs per employee). The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.
- iv. Compensated absences: The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. 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 period in which the absences occur.
- v. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.
- vi. State Plans : The Company's contribution to State Plans , a defined contribution plan namely Employee State Insurance Fund and Employees Pension Scheme are charged to the statement of profit and loss.

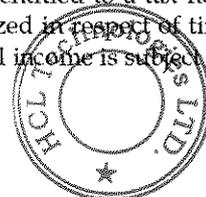
o) Taxation

Tax expense comprises current and deferred tax. Current income tax expense comprises taxes on income from operations in India and foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961 and tax expense relating to overseas operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Deferred tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. 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 tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. In situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

At each balance sheet date the Company re-assesses recognized and unrecognized deferred tax assets. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which the deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. The Company recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The Company is subject to Minimum Alternative Tax (MAT) on its book profit, which gives rise to future economic benefit in the form of adjustment of future income tax liability. MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which MAT Credit becomes eligible to be recognized as an asset in accordance with the guiding professional pronouncements, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the MAT Credit Entitlement at each balance sheet date and writes - down the carrying amount of the MAT Credit Entitlement to the extent that there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

p) Employee stock compensation cost

In accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (as applicable) and the Guidance Note on Accounting for Employee Share-based Payments issued by the Institute of Chartered Accountants of India, the Company calculates the compensation cost of equity-settled transactions based on the intrinsic value method wherein the excess of the market price of the underlying equity shares on the date of the grant of the options over the exercise price of the options given to the employees under the employee stock option schemes of the Company, is recognized as deferred stock compensation cost and is amortized on a graded vesting basis over the vesting period of the options.

q) Earnings per share

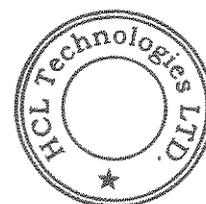
Basic earnings per share are computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed by dividing the net profit after tax 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 number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for bonus shares.

r) Provisions

A provision is recognized when there exists a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to present value and are determined based on best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

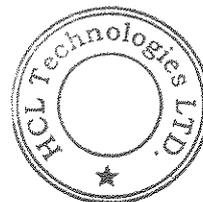
(All amounts in crores of ₹, except share data and as stated otherwise)

s) Contingent liabilities

A contingent liability is a possible obligation that may arise from past events whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably; the Company does not recognize a contingent liability but discloses its existence in the financial statements. .

t) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term deposits with banks with an original maturity of three months or less.



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2. Notes on accounts

2.1 Share Capital

| | As at 30 June | |
|---|---------------|--------|
| | 2015 | 2014 |
| Authorized | | |
| 1,500,000,000 (Previous year 750,000,000) equity shares of ₹ 2 each | 300.00 | 150.00 |
| Issued, subscribed and fully paid up | | |
| 1,405,978,418 (Previous year 699,976,381) equity shares ₹ 2 each | 281.20 | 140.00 |

Terms/ rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/- . Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

| | As at 30 June | | | |
|--|---------------|-------------|---------------|-------------|
| | 2015 | | 2014 | |
| | No. of shares | ₹ in Crores | No. of shares | ₹ in Crores |
| Number of shares at the beginning | 699,976,381 | 140.00 | 696,869,857 | 139.37 |
| Add: Shares issued on exercise of employee stock options | 3,154,076 | 0.63 | 3,106,524 | 0.63 |
| Add: Bonus shares issued | 702,847,961 | 140.57 | - | - |
| Number of shares at the end | 1,405,978,418 | 281.20 | 699,976,381 | 140.00 |

The Company does not have any holding/ ultimate holding company.

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

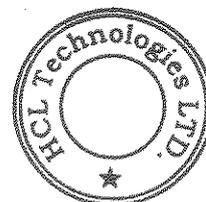
| Name of the shareholder | As at 30 June | | | |
|--|---------------|------------------------|---------------|------------------------|
| | 2015 | | 2014 | |
| | No. of shares | % holding in the class | No. of shares | % holding in the class |
| Equity shares of ₹ 2 each fully paid | | | | |
| Vama Sundari Investments (Delhi) Private Limited | 600,097,024 | 42.68% | 300,048,512 | 42.87% |
| HCL Holdings Private Limited | 239,097,816 | 17.01% | 119,548,908 | 17.08% |

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.

Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

| | As at 30 June | |
|--|------------------------------|----------------------|
| | 2015 | 2014 |
| Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash. | 10,125 Equity shares | 10,125 Equity shares |
| Aggregate number and class of shares allotted as fully paid up by way of bonus shares. | 702,847,961 Equity Shares | Nil |
| Aggregate number and class of shares bought back | Nil | Nil |

During the year pursuant to approval of the shareholders through postal ballot on 10 March 2015, a sum of Rs. 140.57 crores was capitalized from securities premium account for issuance of 702,847,961 bonus shares of Rs. 2/- each fully paid-up and these bonus shares were allotted by the Company on 21 March 2015. The said bonus shares were issued in the proportion of 1 equity share for every 1 equity share of Rs. 2/- each held by the equity shareholders of the Company on the record date of 20 March 2015.



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Employee Stock Option Plan (ESOP)

The Company has provided various share-based payment schemes to its employees. During the year ended 30 June 2015, the following schemes were in operation:

| | ESOP 1999 | ESOP 2000 | ESOP 2004 |
|--|----------------|----------------|--------------------------------------|
| Maximum number of options under the plan | 20,000,000 | 15,000,000 | 20,000,000 |
| Method of Settlement (Cash/Equity) | Equity | Equity | Equity |
| Vesting Period (Maximum) | 110 months | 104 months | 96 months |
| Exercise Period from the date of vesting (maximum) | 5 years | 5 years | 5 years |
| Vesting Conditions | Service Period | Service Period | Service period/ Group performance |

During the year ended 30 June 2014, the following schemes were in operation:

| | ESOP 1999 | ESOP 2000 | ESOP 2004 |
|--|----------------|----------------|--------------------------------------|
| Maximum number of options under the plan | 20,000,000 | 15,000,000 | 20,000,000 |
| Method of Settlement (Cash/Equity) | Equity | Equity | Equity |
| Vesting Period (Maximum) | 110 months | 104 months | 96 months |
| Exercise Period from the date of vesting (maximum) | 5 years | 5 years | 5 years |
| Vesting Conditions | Service Period | Service Period | Service period/ Group performance |

Each option granted under the above plans entitles the holder to eight equity shares (four equity shares prior to 1:1 bonus issue) of the Company at an exercise price, which is approved by the Nomination and Remuneration Committee.

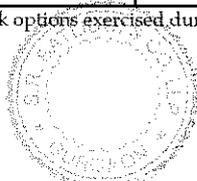
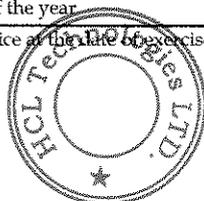
The details of activity under various plan have been summarized below:-

| ESOP 1999 | Year ended 30 June | | | |
|--|--------------------|-------------------------------------|---------------|-------------------------------------|
| | 2015 | | 2014 | |
| | No of options | Weighted average exercise price (₹) | No of options | Weighted average exercise price (₹) |
| Outstanding at the beginning of the year | 125,823 | 722.45 | 324,422 | 666.37 |
| Add: Granted during the year | - | - | - | - |
| Less: Forfeited during the year | - | - | - | - |
| Exercised during the year | (101,849) | 641.68 | (184,025) | 638.94 |
| Expired during the year | (23,974) | 645.51 | (14,574) | 645.34 |
| Options outstanding at the end of the year | - | - | 125,823 | 722.45 |
| Options exercisable at the end of the year | - | - | 125,823 | - |

The weighted average option price at the date of exercise for stock options exercised during the year was ₹ 6,419.36 (Previous year ₹ 4,635.01)

| ESOP 2000 | Year ended 30 June | | | |
|--|--------------------|-------------------------------------|---------------|-------------------------------------|
| | 2015 | | 2014 | |
| | No of options | Weighted average exercise price (₹) | No of options | Weighted average exercise price (₹) |
| Outstanding at the beginning of the year | 210,241 | 642.84 | 583,255 | 641.16 |
| Add: Granted during the year | - | - | - | - |
| Less: Forfeited during the year | - | - | - | - |
| Exercised during the year | (167,144) | 636.82 | (301,986) | 637.05 |
| Expired during the year | (43,097) | 665.07 | (71,028) | 653.61 |
| Options outstanding at the end of the year | - | - | 210,241 | 642.84 |
| Options exercisable at the end of the year | - | - | 210,241 | - |

The weighted average option price at the date of exercise for stock options exercised during the year was ₹ 6,430.37 (Previous year ₹ 4,645.11)



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

| ESOP 2004 | Year ended 30 June | | | |
|--|--------------------|-------------------------------------|------------------|-------------------------------------|
| | 2015 | | 2014 | |
| | No of options | Weighted average exercise price (₹) | No of options | Weighted average exercise price (₹) |
| Outstanding at the beginning of the year | 1,728,849 | 11.69 | 2,238,201 | 14.48 |
| Add: Granted during the year | - | - | 8,000 | 8.00 |
| Less: Forfeited during the year | (204,366) | 13.11 | (225,132) | 8.00 |
| Exercised during the year | (484,214) | 18.71 | (290,620) | 28.69 |
| Expired during the year | (12,990) | 122.48 | (1,600) | 1,329.66 |
| Options outstanding at the end of the year * | 1,027,279 | 16.00 | 1,728,849 | 11.69 |
| Options exercisable at the end of the year | 200,397 | | 274,481 | |

The weighted average option price at the date of exercise for stock options exercised during the year was ₹ 6,694.63 (Previous year ₹ 4,998.73)

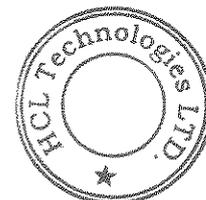
* Total number of outstanding options includes 837,785 as on 30 June 2015 (1,252,638 as on 30 June 2014) performance based options. These options will vest to the employees of the Group based on the achievement of certain targets by the Group.

The details of exercise price for stock options outstanding at the end of the year 30 June 2015 are:

| Name of the Plan | Range of exercise prices | Number of options outstanding | Weighted average remaining contractual life of options (in years) | Weighted average exercise price (₹) |
|----------------------------------|--------------------------------|-------------------------------|---|-------------------------------------|
| Employee Stock Option Plan -1999 | ₹ 240 - ₹ 750 | - | - | - |
| Employee Stock Option Plan -2000 | ₹ 260 - ₹ 470 ₹ 483 - ₹ 823 | - | - | - |
| Employee Stock Option Plan -2004 | ₹ 16 ₹ 642 - ₹ 741 | 1,027,279 | 3.93 | 16.00 |

The details of exercise price for stock options outstanding at the end of the year 30 June 2014 are:

| Name of the Plan | Range of exercise prices | Number of options outstanding | Weighted average remaining contractual life of options (in years) | Weighted average exercise price (₹) |
|----------------------------------|--------------------------------|-------------------------------|---|-------------------------------------|
| Employee Stock Option Plan -1999 | ₹ 240 - ₹ 750 | 125,823 | - | 722.45 |
| Employee Stock Option Plan -2000 | ₹ 260 - ₹ 470 ₹ 483 - ₹ 823 | - 210,241 | - | - 642.84 |
| Employee Stock Option Plan -2004 | ₹ 8 ₹ 642 - ₹ 741 | 1,719,386 9,463 | 4.80 | 8.00 682.38 |



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

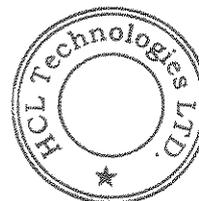
There are no options granted during the current year and the weighted average fair value of stock options granted during the previous year was ₹ 3,304.31. The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

| | Year ended 30 June | |
|--|--------------------|-------------------|
| | 2015 | 2014 |
| Weighted average share price | - | 396.18 |
| Exercise Price | - | ₹ 2.00 |
| Expected Volatility | - | 30.80% |
| Historical Volatility | - | 30.80% |
| Life of the options granted (vesting and exercise period) in years | - | 3.15 - 3.21 Years |
| Expected dividends | - | ₹ 8.00 |
| Average risk-free interest rate | - | 7.80% |
| Expected dividend rate | - | 2.02% |

The expected volatility was determined based on historical volatility data.

The Company has calculated the compensation cost based on the intrinsic value method i.e. the excess of market price of underlying equity shares on the date of the grant of options over the exercise price of the options granted to employees under the employee stock option schemes of the Company. The amount is recognized as deferred stock compensation cost and is amortized on a graded vesting basis over the vesting period of the options. Had the Company applied the fair value method for determining compensation cost, the impact on net income and earnings per share is provided below:

| | Year ended 30 June | |
|---|--------------------|-----------------|
| | 2015 | 2014 |
| Net income- As reported | 6,345.95 | 5,984.62 |
| Add: Employee stock compensation under intrinsic value method | (15.39) | 30.92 |
| Less: Employee stock compensation under fair value method | (7.71) | 39.12 |
| Net income - Proforma | 6,338.27 | 5,976.42 |
| Earnings per share (₹) refer note 2.32 | | |
| Basic - As reported | 45.17 | 42.83 |
| - Proforma | 45.12 | 42.77 |
| Diluted - As reported | 44.91 | 42.26 |
| - Proforma | 44.86 | 42.20 |



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.2 Reserves and Surplus

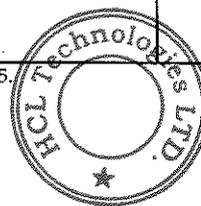
| | As at 30 June | |
|--|------------------|------------------|
| | 2015 | 2014 |
| Securities premium account | | |
| Balance as per last financial statements | 1,933.97 | 1,863.83 |
| Add: exercise of stock option by employees | 87.81 | 70.14 |
| Less: amount utilized for issuance of fully paid up bonus shares (refer note 2.1) | (140.57) | - |
| | 1,881.21 | 1,933.97 |
| Debenture redemption reserve | | |
| Balance as per last financial statements | 500.00 | 400.00 |
| Add: amount transferred from surplus in the statement of profit and loss | - | 100.00 |
| Less: amount transferred to statement of profit and loss on redemption of debentures | (500.00) | - |
| | - | 500.00 |
| Share options outstanding | | |
| Balance as per last financial statements | 206.92 | 278.42 |
| Add: options granted during the year | - | 2.89 |
| Less: transferred to securities premium on exercise of stock options | (85.74) | (74.39) |
| | 121.18 | 206.92 |
| Hedging reserve account (net of deferred tax) (refer note 2.31) | | |
| Balance as per last financial statements | (210.28) | (488.52) |
| Add: movement during the year (net) | 169.60 | 278.24 |
| | (40.68) | (210.28) |
| Foreign currency translation reserve | | |
| Balance as per last financial statements | (1.82) | (2.73) |
| Add: exchange difference during the year on net investment in non-integral operations | (33.27) | 0.91 |
| | (35.09) | (1.82) |
| General reserve | | |
| Balance as per last financial statements | 1,989.20 | 1,389.20 |
| Add: amount transferred from surplus in the statement of profit and loss | 650.00 | 600.00 |
| | 2,639.20 | 1,989.20 |
| Capital reserve | | |
| Balance as per last financial statements | 119.54 | 119.54 |
| Add: movement during the year | - | - |
| | 119.54 | 119.54 |
| Surplus in the statement of profit and loss | | |
| Balance as per last financial statements | 11,068.08 | 6,597.12 |
| Add: profit for the year | 6,345.95 | 5,984.62 |
| Add: amount transferred from debenture redemption reserve on redemption of debentures | 500.00 | - |
| Amount available for appropriation | 17,914.03 | 12,581.74 |
| Less: appropriations | | |
| Interim dividend [amount per share ₹ 30 (Previous year ₹ 10)]* | 2,385.59 | 699.10 |
| Proposed final dividend [including ₹ Nil crores (previous year ₹ 1.17 crores) paid for previous year] [amount per share ₹ Nil (Previous year ₹ Nil)] | - | 1.17 |
| Total dividend | 2,385.59 | 700.27 |
| Corporate dividend tax [including ₹ Nil crores (previous year ₹ 0.20 crores) paid for previous year] | 439.27 | 113.39 |
| Transfer to general reserve | 650.00 | 600.00 |
| Transfer to debenture redemption reserve | - | 100.00 |
| Net surplus in the statement of profit and loss | 14,439.17 | 11,068.08 |
| | 19,124.53 | 15,605.61 |

* not adjusted for bonus issue

2.3 Share application money pending allotment

| | 2015 | 2014 |
|---|--------|-----------|
| - number of shares proposed to be issued (adjusted for bonus shares issued) | 84,680 | 1,197,896 |
| - the amount of premium | - | 7.53 |
| - whether the Company has sufficient authorized share capital to cover the share capital amount on allotment of shares out of share application money | Yes | Yes |
| - Interest accrued on amount due for refund | Nil | Nil |

Note- The Company expects to make the allotment during the quarter ended 30 September 2015.



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.4 Long term borrowings

| | Non-current portion | | Current maturities | |
|---|---------------------|--------------|--------------------|--------------|
| | 30 June 2015 | 30 June 2014 | 30 June 2015 | 30 June 2014 |
| Secured | | | | |
| Debentures | | | | |
| 8.80% Secured redeemable non convertible debentures of ₹ 10 lacs each (repaid on 10 September 2014) | - | - | - | 500.00 |
| From banks | | | | |
| Long term loans (refer note 1 below) | 27.22 | 27.45 | 13.41 | 11.56 |
| From others | | | | |
| Finance lease obligations (refer note Note 2.26(i)) | - | - | - | 0.33 |
| | 27.22 | 27.45 | 13.41 | 511.89 |
| Amount disclosed under the head "other current liabilities" (note 2.8) | - | - | (13.41) | (511.89) |
| | 27.22 | 27.45 | - | - |

Note:-

1. The Company has availed of a term loans of ₹ 40.63 (Previous year ₹ 39.01 crores) secured by hypothecation of gross block of vehicles of ₹ 89.20 crores (Previous year ₹ 76.02 crores) at interest rates ranging from 10.2% to 10.5%. The loans are repayable over a period of 3 to 5 years on a monthly basis.

2.5 Other long term liabilities

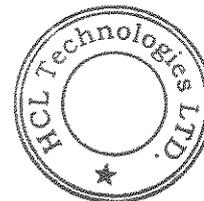
| | As at 30 June | |
|---|---------------|--------|
| | 2015 | 2014 |
| Income received in advance | 135.55 | 193.33 |
| Income received in advance- related parties (refer note 2.28) | 93.38 | 178.61 |
| Liability for expenses | 16.27 | 15.29 |
| Unrealized loss on forward covers | 37.74 | 128.20 |
| | 282.94 | 515.43 |

2.6 Long term provisions

| | As at 30 June | |
|---------------------------------|---------------|--------|
| | 2015 | 2014 |
| Provision for employee benefits | 198.77 | 175.28 |
| | 198.77 | 175.28 |

2.7 Short term borrowings

| | As at 30 June | |
|------------------|---------------|-------|
| | 2015 | 2014 |
| Unsecured | | |
| Bank overdraft | - | 29.25 |
| | - | 29.25 |



HCL Technologies Limited**Notes to financial statements for the year ended 30 June 2015**

(All amounts in crores of ₹, except share data and as stated otherwise)

2.8 Trade payable and other current liabilities

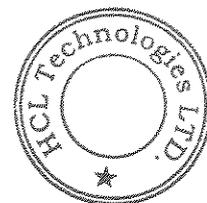
| | As at 30 June | |
|---|-----------------|-----------------|
| | 2015 | 2014 |
| Trade payables (refer note 2.33 for details of dues to micro and small enterprises) | 180.94 | 117.46 |
| Trade payables-related parties (refer note 2.28) | 287.64 | 275.01 |
| | 468.58 | 392.47 |
| Other current liabilities | | |
| Current maturities of long term loans | 13.41 | 511.89 |
| Interest accrued but not due on borrowings | - | 2.53 |
| Unclaimed dividends | 2.99 | 2.51 |
| Advances received from customers | 28.09 | 16.86 |
| Advances received from customers- related parties (refer note 2.28) | 2.41 | - |
| Capital accounts payables [includes supplier credit ₹ 423.49 crores (previous year ₹ 601.49 crores)] | 670.67 | 748.45 |
| Capital accounts payables-related parties [includes supplier credit ₹ 4.38 crores (previous year ₹ 28.24 crores)] (refer note 2.28) | 6.87 | 32.25 |
| Unrealized loss on forward cover | 15.20 | 137.57 |
| Income received in advance | 298.47 | 200.26 |
| Income received in advance-related parties (refer note 2.28) | 257.06 | 330.12 |
| Accrued salaries and benefits | | |
| Employee bonuses accrued | 391.39 | 348.00 |
| Other employee costs | 181.10 | 200.10 |
| Other liabilities | | |
| Liabilities for expenses | 771.82 | 722.31 |
| Liabilities for expenses-related parties (refer note 2.28) | 493.94 | 227.71 |
| Supplier credit | 396.11 | 309.62 |
| Supplier credit -related parties (refer note 2.28) | 9.54 | 10.53 |
| Withholding and other taxes payable | 104.60 | 97.45 |
| Advance against sale of building - related parties (refer note 2.28) | - | 108.00 |
| | 3,643.67 | 4,006.16 |

2.9 Short term provisions

| | As at 30 June | |
|-----------------------------------|---------------|---------------|
| | 2015 | 2014 |
| Provision for employee benefits | 208.77 | 186.91 |
| Income taxes (refer note 1 below) | 677.58 | 726.88 |
| Wealth tax (refer note 2 below) | 1.78 | 1.41 |
| | 888.13 | 915.20 |

Notes:

1. Net of advance income tax of ₹ 5,289.51 crores (Previous year ₹ 3,590.29 crores).
2. Net of advance wealth tax of ₹ 7.95 crores (Previous year ₹ 6.60 crores).



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Note 2.10 Fixed Assets (refer note 1(c), (d), (e))

The changes in the carrying value of fixed assets for the year ended 30 June 2015

| | Gross block | | | | As at 30 June 2015 | Accumulated depreciation / amortization | | | | Net block | | |
|--------------------------|-------------------|---------------|------------------------|----------------------------------|--------------------|---|---------------------|------------------------|----------------------------------|--------------------|--------------------|--------------------|
| | As at 1 July 2014 | Additions | Deletions/ Adjustments | Translation exchange differences | | As at 1 July 2014 | Charge for the year | Deletions/ Adjustments | Translation exchange differences | As at 30 June 2015 | As at 30 June 2015 | As at 30 June 2014 |
| Tangible Assets | | | | | | | | | | | | |
| Freehold land | 80.89 | - | 0.27 | - | 80.62 | - | - | - | - | - | 80.62 | 80.89 |
| Leasehold land | 159.29 | 119.57 | 6.18 | - | 272.68 | 13.10 | 2.68 | 1.15 | - | 14.63 | 258.05 | 146.19 |
| Buildings | 1,689.46 | 361.54 | 23.30 | - | 2,027.70 | 233.74 | 90.37 | 14.96 | - | 309.15 | 1,718.55 | 1,455.72 |
| Plant and machinery | 878.41 | 182.41 | 7.67 | (0.27) | 1,052.88 | 524.99 | 53.58 | 7.55 | (0.11) | 570.91 | 481.97 | 353.42 |
| Office Equipment | 175.88 | 20.68 | 5.03 | (0.07) | 191.46 | 141.35 | 12.83 | 4.98 | (0.06) | 149.14 | 42.82 | 34.53 |
| Computers | 903.37 | 148.98 | 12.89 | (0.79) | 1,038.67 | 714.04 | 70.64 | 12.88 | (0.47) | 771.33 | 267.34 | 189.33 |
| Furniture and fittings | 470.80 | 50.64 | 24.63 | (0.52) | 496.29 | 377.17 | 20.15 | 24.60 | (0.32) | 372.40 | 123.89 | 93.63 |
| Vehicles - owned | 82.94 | 23.75 | 11.96 | - | 94.73 | 34.77 | 17.06 | 7.32 | - | 44.51 | 50.22 | 48.17 |
| - leased | 4.25 | - | 1.50 | - | 2.75 | 1.83 | 0.04 | 1.14 | - | 0.73 | 2.02 | 2.42 |
| Total (A) | 4,445.29 | 907.57 | 93.43 | (1.65) | 5,257.78 | 2,040.99 | 267.38 | 74.58 | (0.96) | 2,232.80 | 3,024.98 | 2,404.30 |
| Intangible Assets | | | | | | | | | | | | |
| Goodwill | 1.98 | - | - | - | 1.98 | 1.98 | - | - | - | 1.98 | - | - |
| Software | 473.79 | 28.22 | 74.19 | (0.86) | 426.96 | 429.52 | 32.57 | 73.97 | (0.41) | 387.71 | 39.25 | 44.27 |
| Total (B) | 475.77 | 28.22 | 74.19 | (0.86) | 428.94 | 431.50 | 32.57 | 73.97 | (0.41) | 389.69 | 39.25 | 44.27 |
| Total (A)+(B) | 4,921.06 | 935.79 | 167.62 | (2.51) | 5,686.72 | 2,472.49 | 299.92 | 148.55 | (1.37) | 2,622.49 | 3,064.23 | 2,448.57 |

Note:-

- Capital work in progress includes ₹ 37.52 crores interest on negotiated extended interest bearing suppliers credit and during the period ₹ 25.51 crores have been capitalised by the Company.
- Based on technical evaluation, the Company reassessed and revised the useful lives of assets with effect from 01 July 2014.

The existing and revised useful lives are as below:

| Category of Assets | Existing Useful Life (Years) | Revised Useful Life (Years) |
|--|------------------------------|-----------------------------|
| Buildings | 20 | 20 |
| Plant and machinery (including air conditioners, electrical installations) | 4-5 | 10 |
| Office Equipments | 4 | 5 |
| Computers | 3 | 4-5 |
| Furniture and fixtures | 4 | 7 |
| Vehicles - owned | 5 | 5 |

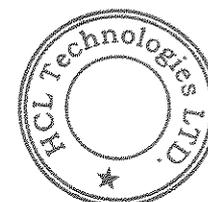
Had the Company continued with the previously assessed useful lives, charge for depreciation for the year ended 30 June 2015 would have been higher by ₹ 189.65 crores for assets held at 01 July 2014.

The changes in the carrying value of fixed assets for the year ended 30 June 2014

| | Gross block | | | | As at 30 June 2014 | Accumulated depreciation / amortization | | | | Net block | | |
|--------------------------|-------------------|---------------|------------------------|----------------------------------|--------------------|---|---------------------|------------------------|----------------------------------|--------------------|--------------------|--------------------|
| | As at 1 July 2013 | Additions | Deletions/ Adjustments | Translation exchange differences | | As at 1 July 2013 | Charge for the year | Deletions/ Adjustments | Translation exchange differences | As at 30 June 2014 | As at 30 June 2014 | As at 30 June 2013 |
| Tangible Assets | | | | | | | | | | | | |
| Freehold land | 80.89 | - | - | - | 80.89 | - | - | - | - | - | 80.89 | 80.89 |
| Leasehold land | 163.92 | 0.02 | 4.65 | - | 159.29 | 12.13 | 1.80 | 0.83 | - | 13.10 | 146.19 | 151.79 |
| Buildings | 1,169.58 | 531.57 | 11.69 | - | 1,689.46 | 173.16 | 67.82 | 7.24 | - | 233.74 | 1,455.72 | 996.42 |
| Plant and machinery | 670.22 | 225.52 | 17.49 | 0.16 | 878.41 | 424.56 | 117.71 | 17.41 | 0.13 | 524.99 | 353.42 | 245.66 |
| Office Equipment | 203.19 | 12.66 | 40.01 | 0.04 | 175.88 | 161.78 | 19.43 | 39.94 | 0.05 | 141.35 | 34.53 | 41.41 |
| Computers | 874.14 | 117.41 | 88.45 | 0.27 | 968.37 | 635.13 | 167.08 | 88.28 | 0.11 | 714.04 | 189.33 | 239.01 |
| Furniture and fittings | 457.65 | 58.57 | 45.49 | 0.27 | 470.80 | 372.34 | 50.08 | 45.45 | 0.20 | 377.17 | 93.63 | 85.31 |
| Vehicles - owned | 73.46 | 17.85 | 8.37 | - | 82.94 | 22.69 | 15.95 | 3.87 | - | 34.77 | 48.17 | 50.77 |
| - leased | 13.77 | - | 9.52 | - | 4.25 | 6.08 | 1.18 | 7.43 | - | 1.83 | 2.42 | 5.69 |
| Total (A) | 3,706.82 | 963.40 | 225.67 | 0.74 | 4,445.29 | 1,809.87 | 441.05 | 210.42 | 0.49 | 2,040.99 | 2,404.30 | 1,896.95 |
| Intangible Assets | | | | | | | | | | | | |
| Goodwill | 1.98 | - | - | - | 1.98 | 1.98 | - | - | - | 1.98 | - | - |
| Software | 437.08 | 36.48 | - | 0.23 | 473.79 | 379.85 | 49.65 | - | 0.02 | 429.52 | 44.27 | 57.23 |
| Total (B) | 439.06 | 36.48 | - | 0.23 | 475.77 | 381.83 | 49.65 | - | 0.02 | 431.50 | 44.27 | 57.23 |
| Total (A)+(B) | 4,145.88 | 999.88 | 225.67 | 0.97 | 4,921.06 | 2,191.70 | 490.70 | 210.42 | 0.51 | 2,472.49 | 2,448.57 | 1,954.38 |

Note:-

- Capital work in progress includes ₹ 28.76 crores interest on negotiated extended interest bearing suppliers credit and during the period ₹ 17.59 crores have been capitalised by the Company.



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.11 Investments

| | As at 30 June | |
|---|-----------------|-----------------|
| | 2015 | 2014 |
| Non-current investments - at cost | | |
| In subsidiary companies, trade (unquoted), fully paid up | | |
| Equity Instruments | | |
| 409,670,582 (Previous year 409,670,582) equity shares of USD 1 each in HCL Bermuda Limited, Bermuda | 1,829.27 | 1,829.27 |
| 1,280 (Previous year 1,280) equity shares of ₹ 10,000 each, in HCL Comnet Systems & Services Limited | 11.22 | 11.22 |
| 949,900 (Previous year 949,900) equity shares of ₹ 10 each, in HCL Comnet Limited | 54.94 | 54.94 |
| HCL Technologies (Shanghai) Limited (Issued & registered capital) | 9.95 | 9.95 |
| 1,033,384 (Previous year 1,033,384) equity shares of SGD 1 each, in HCL Singapore Pte. Limited | 5.25 | 5.25 |
| 30,000,000 (previous year 30,000,000) equity shares of Pound 1 each fully paid up, in HCL EAS Limited | 224.80 | 224.80 |
| 1 (Previous year 1) equity shares of Euro 100 each, in HCL GmbH | 0.11 | 0.11 |
| 92,000 (Previous year 92,000) equity shares of ₹ 10 each in HCL Eagle Limited | 0.09 | 0.09 |
| 50,000 (Previous year Nil) equity shares of ₹ 10 each in HCL Foundation (refer note 1 below) | - | - |
| Preference shares | | |
| 261,500,000 (Previous year 275,000,000) Preference shares of USD 1 each in HCL Bermuda Limited, Bermuda | 1,364.60 | 1,424.09 |
| Aggregate amount of non-current investments | 3,500.23 | 3,559.72 |
| Current investments | | |
| (Non trade and quoted) | | |
| Investment in bonds and certificate of deposits (refer note 2 (i) below) | - | 212.04 |
| (At lower of cost and fair value non trade and unquoted) | | |
| Investment in mutual fund (refer note 2 (ii) below) | 624.73 | 344.25 |
| Aggregate amount of current investments | 624.73 | 556.29 |

Notes:-

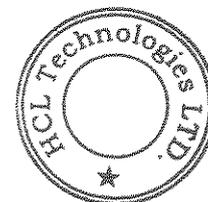
- Cost of investment is stated ₹ Nil as the same cannot be distributed to the members in the event of liquidation. Actual cost of investment of ₹ 5,00,000 has been charged in the statement of profit & loss in the current financial year.
- The details of investments in mutual funds/ bonds are provided below:

i) Details of investments in bonds and certificates of deposit - non trade and quoted

| | Face Value | Balance as at 30 June 2015 | | Balance as at 30 June 2014 | |
|--|------------|----------------------------|---|----------------------------|---------------|
| | | | | | |
| Bonds | | | | | |
| Indian Railway Finance 6% 2015 (Series 68) | 100,000 | - | - | 5,000 | 50.00 |
| Certificate of deposits | | | | | |
| State Bank of Mysore | 100,000 | - | - | 10,000 | 98.13 |
| State Bank of Hyderabad | 100,000 | - | - | 6,500 | 63.91 |
| Total | | | | | 212.04 |
| Market value | | | | | 212.08 |

ii) Details of Investments in mutual funds - non trade and unquoted

| | Face Value | Balance as at 30 June 2015 | | Balance as at 30 June 2014 | |
|---|------------|----------------------------|---------------|----------------------------|---------------|
| | | Units | Amount | Units | Amount |
| Growth Fund | | | | | |
| DSP BlackRock Liquidity Fund-IP | 1,000 | - | - | 442,860 | 82.66 |
| HDFC Liquid Fund | 10 | 51,918,756 | 146.06 | 38,784,913 | 99.47 |
| ICICI Prudential Institutional Liquid Plan -Super Institutional | 100 | 5,921,353 | 123.93 | 1,238,777 | 23.92 |
| UTI Liquid Fund-Cash Plan | 1,000 | 486,126 | 112.82 | 282,876 | 60.37 |
| TATA Liquid Fund Plan | 1,000 | 442,364 | 115.59 | 44,577 | 10.64 |
| Birla Sunlife - Cash Plus | 100 | 175,498 | 4.00 | - | - |
| SBI Premier Liquid Fund Super IP | 1,000 | 546,129 | 122.33 | 328,604 | 67.20 |
| Total | | | 624.73 | | 344.26 |



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.12 Deferred tax assets (net)

| | As at 30 June | |
|---|---------------|---------------|
| | 2015 | 2014 |
| Deferred tax assets: | | |
| Accrued employee costs | 108.19 | 95.24 |
| Unrealized loss on derivative financial instruments | 9.71 | 51.97 |
| Depreciation and amortization | 25.61 | 74.87 |
| Others | 86.47 | 90.70 |
| Gross deferred tax assets (A) | 229.98 | 312.78 |
| Deferred tax liabilities: | | |
| Others | 12.10 | 0.99 |
| Gross deferred tax liabilities (B) | 12.10 | 0.99 |
| Net deferred tax assets (A-B) | 217.88 | 311.79 |

2.13 Long term loans and advances

| | As at 30 June | |
|--|-----------------|---------------|
| | 2015 | 2014 |
| Unsecured, considered good | | |
| Capital advances | 113.95 | 118.98 |
| Capital advances-related parties (refer note 2.28) | - | 0.02 |
| Security deposits | 136.57 | 119.20 |
| Others | | |
| MAT credit entitlement | 769.68 | 459.26 |
| Prepaid expenses | 29.48 | 31.90 |
| Finance lease receivables (refer note 2.26 (iii)) | 41.70 | 62.22 |
| Loans and advances to employees (including related party, refer note 2.28) | 15.01 | 0.07 |
| | 1,106.39 | 791.65 |

2.14 Other non-current assets

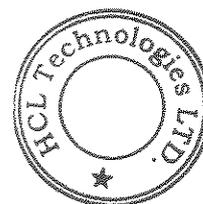
| | As at 30 June | |
|--|---------------|---------------|
| | 2015 | 2014 |
| Unsecured considered good unless otherwise stated | | |
| Deferred cost | 219.83 | 132.61 |
| Bank deposits more than 12 months (refer note 1 below) | 0.01 | 0.01 |
| Unrealized gain on derivative financial instruments | 0.61 | - |
| Others | 87.65 | 45.13 |
| | 308.10 | 177.75 |

Note:-

1. Pledged with banks as security for guarantees ₹ 0.01 crores (Previous year ₹ 0.01 crores)

2.15 Inventories

| | As at 30 June | |
|--|---------------|--------------|
| | 2015 | 2014 |
| Inventories | | |
| Stock in trade [including in transit ₹ 23.19 crores (Previous year ₹ Nil)] | 81.77 | 14.66 |
| Stores and spares | 1.88 | 0.88 |
| | 83.65 | 15.54 |



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.16 Trade receivables (Unsecured)

| | As at 30 June | |
|---|-----------------|-----------------|
| | 2015 | 2014 |
| (a) Considered good unless stated otherwise, outstanding for a period exceeding six months from the date they are due for payment | | |
| Unsecured considered good | 221.42 | - |
| Unsecured considered doubtful | 107.72 | 151.72 |
| | 329.14 | 151.72 |
| Provision for doubtful receivables | (107.72) | (151.72) |
| Total (A) | 221.42 | - |
| (b) Other receivables | | |
| Unsecured considered good | 3,356.86 | 3,224.19 |
| Unsecured considered doubtful | 4.71 | 25.32 |
| | 3,361.57 | 3,249.51 |
| Provision for doubtful receivables | (4.71) | (25.32) |
| Total (B) | 3,356.86 | 3,224.19 |
| Total (A)+(B) (refer note 1 below) | 3,578.28 | 3,224.19 |

Note:-

1. Includes receivables from related parties amounting to ₹ 2,051.68 crores (Previous year ₹ 1,760.03 crores)

2.17 Cash and bank balances

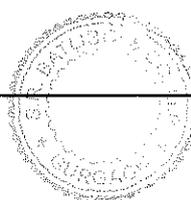
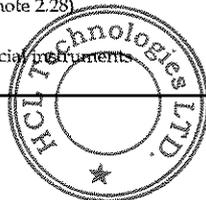
| | As at 30 June | |
|---|---------------|----------|
| | 2015 | 2014 |
| (a) Cash and cash equivalent | | |
| Balance with banks | | |
| - in current accounts | 269.61 | 131.87 |
| Cheques in hand | 50.03 | 33.00 |
| Remittances in transit | 110.10 | 73.35 |
| Unclaimed dividend account | 2.99 | 2.51 |
| | 432.73 | 240.73 |
| (b) Other bank balances | | |
| Deposits with original maturity of more than 3 months but up to 12 months | 8,396.68 | 7,670.35 |
| | 8,829.41 | 7,911.08 |

2.18 Short- term loans and advances

| | As at 30 June | |
|---|---------------|---------|
| | 2015 | 2014 |
| Unsecured, considered good ; | | |
| Loans and advances to related parties | 56.46 | 49.07 |
| Others | | |
| Security deposits | 34.85 | 53.22 |
| Inter corporate deposits with HDFC Limited | 1,193.00 | 564.00 |
| Advances to suppliers | 13.18 | 13.20 |
| Prepaid expenses | 124.61 | 98.95 |
| Prepaid expenses - related parties | 1.86 | - |
| Loans and advances to employees | 41.36 | 19.76 |
| Finance lease receivables (refer note 2.26 (iii)) | 21.45 | 24.95 |
| Payment for investment in mutual fund - units allotted on 01 July, 2014 | - | 55.00 |
| Service tax receivable | 66.06 | 46.32 |
| Other loans and advances | 104.87 | 59.85 |
| | 1,657.70 | 984.32 |
| Unsecured, considered doubtful | | |
| Loans and advances to employees | 42.62 | 43.73 |
| Loans and advances to others | 2.84 | 3.86 |
| | 45.46 | 47.59 |
| Less: Provision for doubtful advances | (45.46) | (47.59) |
| | 1,657.70 | 984.32 |

2.19 Other current assets

| | As at 30 June | |
|---|---------------|----------|
| | 2015 | 2014 |
| Unbilled revenue | 545.29 | 541.26 |
| Unbilled revenue-related parties (refer note 2.28) | 586.91 | 555.50 |
| Deferred cost | 149.98 | 98.47 |
| Deferred cost-related parties (refer note 2.28) | 2.01 | 5.71 |
| Interest receivable | 99.46 | 113.83 |
| Unrealized gain on derivative financial instruments | 16.86 | 0.33 |
| | 1,400.51 | 1,315.10 |



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.20 Revenue from operations

| | Year ended | |
|---|------------------|------------------|
| | 30 June 2015 | 30 June 2014 |
| Sale of services | 16,838.68 | 16,015.24 |
| Sale of hardware and software (refer note 2.36) | 314.76 | 482.13 |
| | 17,153.44 | 16,497.37 |

2.21 Other income

| | Year ended | |
|--|-----------------|---------------|
| | 30 June 2015 | 30 June 2014 |
| Interest income | | |
| - On fixed deposits | 790.14 | 528.46 |
| - On investment | 2.05 | 4.70 |
| - Others | 3.76 | - |
| Profit on sale of current investments | 33.76 | 50.42 |
| Dividends from subsidiary companies | 78.24 | 24.68 |
| Profit on sale of fixed assets (refer note 1 below) | 97.06 | 47.97 |
| Exchange differences (net) | 124.76 | - |
| Employee stock compensation expense written back (net) | 15.39 | - |
| Provisions no longer required written back (net) | 33.38 | - |
| Miscellaneous income | 20.96 | 2.89 |
| | 1,199.50 | 659.12 |

Note

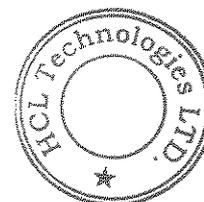
1. Net of loss on sale of fixed assets ₹ 0.40 crores (Previous year ₹ 0.39 crores)

2.22 Changes in inventories of traded goods

| | Year ended | |
|---------------|----------------|--------------|
| | 30 June 2015 | 30 June 2014 |
| Opening stock | 15.54 | 80.29 |
| Closing stock | (81.77) | (15.54) |
| | (66.23) | 64.75 |

2.23 Employee benefits expense

| | Year ended | |
|--|-----------------|-----------------|
| | 30 June 2015 | 30 June 2014 |
| Salaries, wages and bonus | 5,668.76 | 4,861.20 |
| Contribution to provident fund and other funds | 212.59 | 193.59 |
| Staff welfare expenses | 43.27 | 38.24 |
| Employee stock compensation expense | - | 30.92 |
| | 5,924.62 | 5,123.95 |



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

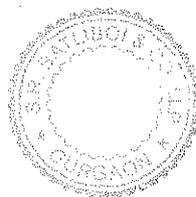
(All amounts in crores of ₹, except share data and as stated otherwise)

2.24 Finance cost

| | Year ended | |
|----------------------|--------------|--------------|
| | 30 June 2015 | 30 June 2014 |
| Interest | | |
| -on debentures | 8.56 | 44.02 |
| -on loans from banks | 7.55 | 4.48 |
| -on leased assets | 0.01 | 0.32 |
| -others | 37.03 | 23.85 |
| Bank charges | 7.49 | 8.98 |
| | 60.64 | 81.65 |

2.25 Other expenses

| | Year ended | |
|--|-----------------|-----------------|
| | 30 June 2015 | 30 June 2014 |
| Rent | 211.99 | 206.87 |
| Power and fuel | 218.96 | 205.15 |
| Insurance | 11.07 | 8.27 |
| Repairs and maintenance | | |
| - Plant and machinery | 45.64 | 55.86 |
| - Buildings | 41.60 | 60.59 |
| - Others | 132.50 | 94.42 |
| Communication costs | 113.37 | 117.96 |
| Books and periodicals | 7.10 | 16.32 |
| Travel and conveyance | 796.92 | 699.70 |
| Business promotion | 36.34 | 30.87 |
| Legal and professional charges (refer note 2.38) | 62.16 | 98.67 |
| Outsourcing costs | 1,966.16 | 1,619.45 |
| Software license fee | 172.36 | 156.92 |
| Printing and stationery | 9.56 | 12.37 |
| Rates and taxes | 59.45 | 72.24 |
| Provision for doubtful advances / advances written off | 9.30 | 0.14 |
| Donations | - | 1.25 |
| CSR expenditure (refer note 2.35) | 6.22 | - |
| Recruitment, training and development | 96.89 | 76.49 |
| Provision for doubtful debts/ bad debts written off | - | 53.13 |
| Exchange differences (net) | - | 11.79 |
| Miscellaneous expenses | 74.10 | 53.95 |
| | 4,071.69 | 3,652.41 |



HCL Technologies Limited**Notes to financial statements for the year ended 30 June 2015**

(All amounts in crores of ₹, except share data and as stated otherwise)

2.26 Leases**i) Finance leases : in case of assets taken on lease**

The Company has acquired vehicles on finance leases. Total minimum lease payments and the maturity profile of finance leases at the balance sheet date, the element of interest included in such payments, and the present value of the minimum lease payments are as follows:

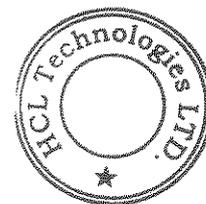
| | Total minimum lease payments outstanding as on 30 June 2015 | Interest included in minimum lease payments | Present value of minimum lease payments |
|--|---|---|---|
| Not later than one year | - (0.34) | - (0.01) | - (0.33) |
| Later than one year and not later than 5 years | - (-) | - (-) | - (-) |
| | - | - | - |
| | (0.34) | (0.01) | (0.33) |

Previous year figures are in brackets.

ii) Operating leases

The Company leases office space and accommodation for its employees under operating lease agreements. The lease rental expense recognized in the statement of profit and loss for the year is ₹ 211.99 crores (Previous year ₹ 206.87 crores). The lease equalization reserve amount for non-cancellable operating lease payable in future years and accounted for by the Company is ₹ 115.20 crores (previous year ₹ 102.92 crores). Future minimum lease payments and the payment profile of non-cancellable operating leases are as follows:

| | Year ended 30 June | |
|---|--------------------|-----------------|
| | 2015 | 2014 |
| Not later than one year | 184.75 | 158.84 |
| Later than one year but not later than five years | 592.35 | 505.91 |
| Later than five years | 578.94 | 604.38 |
| | 1,356.04 | 1,269.13 |



HCL Technologies Limited**Notes to financial statements for the year ended 30 June 2015**

(All amounts in crores of ₹, except share data and as stated otherwise)

iii) Finance leases : in case of assets given on lease

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

| | Total minimum lease payments outstanding as on 30 June 2015 | Interest included in minimum lease payments receivable | Present value of minimum lease payments receivable |
|--|---|--|--|
| Not later than one year | 28.71 (29.65) | 7.23 (4.71) | 21.48 (24.94) |
| Later than one year and not later than 5 years | 42.92 (73.97) | 1.25 (11.74) | 41.67 (62.23) |
| | 71.63 | 8.48 | 63.15 |
| | (103.62) | (16.45) | (87.17) |

Previous year figures are in brackets.

2.27 Segment Reporting**Identification of segments**

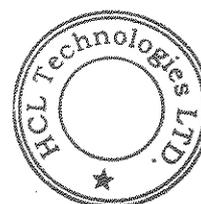
The Company's operating businesses are organized and managed according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services.

(i) Business segments

The operations of the Company predominately relate to providing a range of IT and Business Process Outsourcing (BPO) services targeted at Global 2000 companies spread across USA, Europe and the Rest of the World. IT Services include software services and IT infrastructure management services. Within software services, the Company provides application development and maintenance, enterprise application, next generation SAAS (Software As A Service) application services and engineering and research and development services to several global customers. IT Infrastructure management services involve managing customers' IT assets effectively. The Company's 'Enterprise of the Future' (EOF) framework helps customers not just run IT effectively but also migrate to next generation IT. EOF involves services around cloud, next generation data centres, business productivity services, integrated service management layer and an integrated application development & operations services. Business process outsourcing services include the traditional contact centre and help desk services and next generation services around platform BPO and BPAAS (Business Process As A Service) delivered through a strong global delivery model. The Company's trademarked EFAAS (Enterprise Function As A Service) helps customers reduce business cost rather than just the process cost as was the case in traditional BPO.

The Chairman of the Company, who is the Chief Strategy Officer, evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by types of services provided by the Company and geographic segmentation of customers.

Accordingly, revenue from service segments comprises the primary basis of segmental information set out in these financial statements. Secondary segmental reporting is performed on the basis of the geographical location of customers and assets.



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

(ii) Geographic segments

Segment revenue from customers by geographical areas is stated based on the geographical location of the customer and segment assets by the geographical location of the assets.

The principal geographical segments are classified as America, Europe, India and Others. Europe comprises business operations conducted by the Company in the United Kingdom, Sweden, Germany, Italy, Belgium, Netherlands, Northern Ireland, Finland, Poland and Switzerland. Since services provided by the Company within these European entities are subject to similar risks and returns, their operating results have been reported as one segment, namely Europe. India has been identified as a separate segment. All other customers, mainly in Japan, Australia, New Zealand, Singapore, Malaysia, Israel, South Korea, China, Czech Republic, Macau, UAE, Portugal, Russia and Hong Kong are included in Others.

(iii) Segment accounting policies

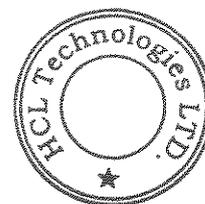
The accounting principles consistently used in the preparation of the financial statements and consistently applied to record revenue and expenditure in individual segments are as set out in note 1 to the financial statements on significant accounting policies. The accounting policies in relation to segment accounting are as under:

a) Segment revenue and expenses

Segment revenue is directly attributable to the segment and segment expenses have been allocated to various segments on the basis of specific identification. However, segment revenue does not include other income. Segment expenses do not include, premium amortized on bonds, diminution allowance in respect of current and trade investments, other than temporary diminution in the value of long term investments, and finance cost.

b) Segment assets and liabilities

Assets and liabilities are not identified to any reportable segments, since these are increasingly used interchangeably across segments and consequently, the management believes that it is not practicable or meaningful to provide segment disclosures relating to total assets and liabilities.

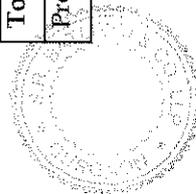
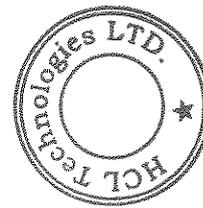


HCL Technologies Limited
Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Financial information about the business segments for the year ended 30 June 2015 is as follows:

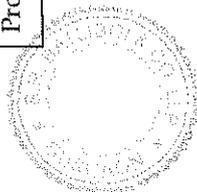
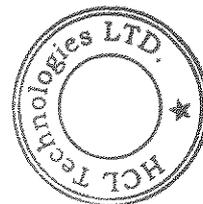
| | Software services | Business process outsourcing services | IT infrastructure services | Total |
|--|-------------------|---------------------------------------|----------------------------|-----------|
| Segment Revenues | 10,456.80 | 1,003.55 | 5,693.09 | 17,153.44 |
| Segment results | 4,122.55 | 144.68 | 2,311.73 | 6,578.96 |
| Unallocated corporate expenses | | | | (19.28) |
| Finance cost | | | | (60.64) |
| Other income | | | | 403.55 |
| Interest income | | | | 795.95 |
| Net profit before taxes | | | | 7,698.54 |
| Tax expense | | | | 1,352.59 |
| Profit for the year | | | | 6,345.95 |
| Significant non-cash adjustments | | | | |
| Depreciation | 192.38 | 25.80 | 78.72 | 296.90 |
| Unallocated corporate depreciation | | | | 3.02 |
| Total | | | | 299.92 |
| Provision for doubtful debts & advances / Bad debts & advances written off | | | | (24.08) |



HCL Technologies Limited
Notes to financial statements for the year ended 30 June 2015
 (All amounts in crores of ₹, except share data and as stated otherwise)

Financial information about the business segments for the year ended 30 June 2014 is as follows:

| | Software services | Business process outsourcing services | IT infrastructure services | Total |
|--|-------------------|---------------------------------------|----------------------------|-----------------|
| Segment Revenues | 10,142.92 | 876.35 | 5,478.10 | 16,497.37 |
| Segment results | 4,438.77 | 203.58 | 2,224.26 | 6,866.61 |
| Unallocated corporate expenses | | | | (46.42) |
| Finance cost | | | | (81.65) |
| Other income | | | | 125.96 |
| Interest income | | | | 533.16 |
| Net profit before taxes | | | | 7,397.66 |
| Tax Expense | | | | 1,413.04 |
| Profit for the year | | | | 5,984.62 |
| Significant non-cash adjustments | | | | |
| Depreciation | 315.32 | 35.41 | 136.60 | 487.33 |
| Unallocated corporate depreciation | | | | 3.37 |
| Total | | | | 490.70 |
| Provision for doubtful debts & advances / Bad debts & advances written off | | | | 53.27 |



HCL Technologies Limited**Notes to financial statements for the year ended 30 June 2015**

(All amounts in crores of ₹, except share data and as stated otherwise)

Segment revenue from customers by geographic area based on location of the customers is as follows:

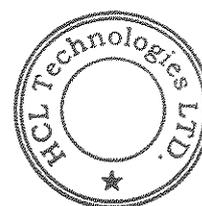
| | Year ended 30 June 2015 | Year ended 30 June 2014 |
|---------|----------------------------|----------------------------|
| America | 9,437.26 | 9,098.85 |
| Europe | 5,007.72 | 4,902.77 |
| India | 939.85 | 935.79 |
| Others | 1,768.61 | 1,559.96 |
| | 17,153.44 | 16,497.37 |

Carrying value of segment assets by geographic area based on geographic location of assets is as follows:

| | Carrying amount of segment assets | |
|---------|-----------------------------------|------------------|
| | 30 June 2015 | 30 June 2014 |
| America | 1,983.49 | 1,530.65 |
| Europe | 1,704.86 | 975.32 |
| India | 20,579.45 | 18,823.14 |
| Others | 647.26 | 485.39 |
| | 24,915.06 | 21,814.50 |

Total cost incurred during the period to acquire segment fixed assets (tangible and intangible) by geographical location of the assets is as follows:

| | Addition to segment fixed assets | |
|---------|----------------------------------|---------------|
| | 30 June 2015 | 30 June 2014 |
| America | - | - |
| Europe | 2.62 | 10.15 |
| India | 1,056.67 | 594.81 |
| Others | - | 0.10 |
| | 1,059.29 | 605.06 |



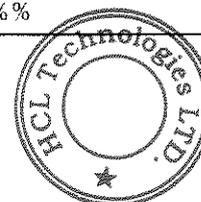
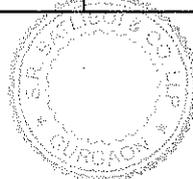
HCL Technologies Limited
Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.28 Related party transactions

a) Related parties where control exists

| Direct subsidiaries | |
|---|--|
| HCL Comnet Limited | |
| HCL Comnet Systems & Services Limited | |
| HCL Singapore Pte. Limited | |
| HCL Bermuda Limited | |
| HCL Technologies (Shanghai) Limited | |
| HCL Eagle Limited | |
| HCL Foundation I | |
| Step down subsidiaries | |
| HCL Japan Limited | HCL Investment (UK) Limited |
| HCL Australia Services Pty. Limited | HCL America Solutions Inc. |
| HCL (New Zealand) Limited | HCL Technologies Austria GmbH |
| HCL Hong Kong SAR Limited | Axon Solutions (Shanghai) Co. Limited |
| Axon Solutions Pty. Limited | Bywater Limited* |
| HCL Axon (Pty) Limited | HCL Axon Technologies Inc. |
| HCL Technologies Philippines Inc. | Axon Solutions Inc. |
| HCL Technologies South Africa (Proprietary) Limited | HCL Argentina s.a. |
| HCL Technologies Solutions Limited. | PT. HCL Technologies Indonesia Limited |
| HCL Belgium NV | HCL Poland sp. z o.o |
| HCL Italy SLR | HCL GmbH |
| HCL Technologies Romania s.r.l. | HCL (Malaysia) Sdn. Bhd. |
| HCL Hungary Kft | Axon Solutions Singapore Pte. Limited |
| HCL Sweden AB | HCL Axon Malaysia Sdn. Bhd. |
| Filial Espanola De HCL Technologies S.L. | HCL Mexico S. de R.L. |
| HCL Great Britain Limited | HCL Technologies Chile Spa |
| HCL (Netherlands) BV | HCL Technologies UK Limited |
| HCL Technologies Solutions GmbH | HCL Technologies B.V |
| HCL EAS Limited | HCL Technologies Germany GmbH |
| Axon Group Limited | HCL Technologies Belgium N.V. |
| Axon Solutions Limited | HCL Technologies Sweden AB |
| HCL BPO Services (NI) Limited | HCL Technologies Finland Oy |
| HCL Insurance BPO Services Limited | HCL (Ireland) Information Systems Limited |
| HCL Technologies Norway AS | HCL Technologies Italy SPA # |
| HCL Technologies Denmark Apps | HCL Technologies Colombia SAS ## |
| HCL Expense Management Services Inc. | HCL Technologies Middle East FZ- LLC% |
| HCL America Inc. | HCL İstanbul Bilişim Teknolojileri Limited Şirketi%% |
| HCL Latin America Holding LLC | HCL Technologies Greece Single Member P.C.%% |
| HCL (Brazil) Tecnologia da informacao Ltda. | HCL Technologies S.A.%%% |



HCL Technologies Limited
Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

| Step down subsidiaries (Cont...) | |
|---|--|
| HCL Global Processing Services Limited | HCL Technologies Beijing Co., Ltd [^] |
| HCL Arabia LLC | HCL Technologies Luxembourg S.a.r.l. ^{^^} |
| Anzospan Investments (PTY) Limited | HCL-Ten Ventures LLC ^{^^^} |
| HCL Technologies France | HCL Technologies Egypt Ltd \$ |
| HCL Technologies (Thailand) Limited ^{\$\$\$} | HCL Technologies Estonia OU \$\$ |

! incorporated on 30 December 2014

incorporated on 30 July 2014

incorporated on 06 August 2014

% incorporated on 19 August 2014

%% incorporated on 30 September 2014

%%% incorporated on 20 November 2014

* Dissolved on 13 January 2015

[^] incorporated on 06 February 2015

^{^^} incorporated on 12 February 2015

^{^^^} incorporated on 09 March 2015

\$ incorporated on 22 March 2015

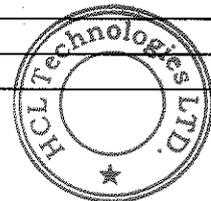
\$\$ incorporated on 08 June 2015

\$\$\$ incorporated on 10 June 2015

| Employee benefit trusts |
|---|
| HCL Technologies Limited Employees Trust |
| Axon Group Plc Employee Benefit Trust No. 3 |
| Axon Group Plc Employee Benefit Trust No. 4 |
| HCL South Africa Share Ownership Trust |

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

| Direct subsidiaries | |
|---|--|
| HCL Comnet Systems and Services Limited | |
| HCL Comnet Limited | |
| HCL Technologies (Shanghai) Limited | |
| HCL Eagle Limited | |
| HCL Singapore Pte. Limited, Singapore | |
| HCL Bermuda Limited | |
| Step down subsidiaries | |
| HCL (Brazil) Tecnologia da informacao Ltda. | HCL Technologies Philippines Inc |
| Axon Solutions Limited | Filial Espanola De HCL Technologies S.L. |
| HCL Technologies Chile SpA | HCL Technologies France |
| Axon Solutions Inc | HCL Technologies Austria GmbH |
| HCL Axon Technologies Inc. | HCL Poland Sp.z.o.o. |
| Axon Solutions (Shanghai) Co., Ltd. | HCL Technologies Denmark AppS |
| HCL AXON Malaysia Sdn. Bhd. | HCL Technologies Norway AS |
| HCL Argentina s.a | HCL America Inc. |
| HCL Mexico S. de R.L. | HCL Great Britain Limited |
| HCL Technologies Romania s.r.l. | HCL Sweden AB |
| HCL Technologies UK Limited | HCL(Netherlands) B.V. |
| HCL Technologies Italy S.p.A. | HCL GmbH |
| HCL (Ireland) Information Systems Limited | HCL Italy SLR |
| HCL Technologies Belgium N.V. | HCL Belgium NV |



HCL Technologies Limited
Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

| Step down subsidiaries (Cont...) | |
|---|---|
| HCL Technologies Germany GmbH | HCL Axon (Pty) Limited |
| HCL Technologies Sweden AB | Axon Solutions (Pty) Limited |
| HCL Technologies Finland Oy | HCL Hungry Kft |
| HCL Australia Services Pty. Limited | HCL İstanbul Bilişim Teknolojileri Limited Şirketi |
| HCL (New Zealand) Limited | HCL Technologies Greece Single Member P.C. |
| HCL Arabia LLC | HCL Technologies Middle East FZ- LLC |
| HCL Hong Kong SAR Limited | PT. HCL Technologies Indonesia Limited |
| HCL Japan Limited | HCL Technologies South Africa (Proprietary) Limited |
| HCL America Solutions Inc. | HCL Technologies Solution Limited |

| Significant influence | |
|---|--|
| HCL Infosystems Limited. | Vama Sundari Investments (Chennai) Private Limited |
| HCL Infotech Limited | HCL Talent Care Pvt. Ltd.(formerly known as Slocum Management Consultancy Private Limited) |
| Shiv Nadar Foundation | Naksha Enterprises Private Limited |
| State Street HCL Services (Phillipines) INC. | Redington (India) Limited* |
| Statestreet HCL Services (India) Private Limited | Cadensworth (India) Limited, India* |
| Digilife Distribution and Marketing Services Ltd. | Ensure Support Services (India) Limited* |
| HCL Insys Pte Ltd., Singapore | Redington Distribution Pte Ltd, Singapore* |
| HCL Corporation Private Limited | Easy Access Financial Services Limited * |
| HCL Learning Limited | Indian school of business# |
| HCL Services Limited | Vama Sundari Investments (Delhi) Private Limited |
| SSN Investments (Pondi) Private Limited | HCL Holding Private Limited |
| SSN Trust | |

*Ceased to be related party w.e.f. 10 November 2014.

#Ceased to be related party w.e.f. 30 August 2014.

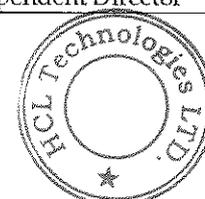
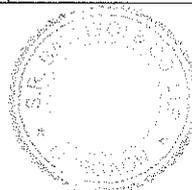
c) Key Management Personnel

| | |
|------------------|-------------------------------------|
| Mr. Shiv Nadar | Chairman and Chief Strategy Officer |
| Mr. Anant Gupta | Chief Executive Officer |
| Mr. Anil Chanana | Chief Financial Officer |
| Mr. Manish Anand | Company Secretary |

d) Directors

| | |
|------------------------------|--|
| Mr. Robin Ann Abrams | Non-Executive & Independent Director |
| Mr. Amal Ganguli | Non-Executive & Independent Director |
| Mr. Ramanathan Srinivasan | Non-Executive & Independent Director |
| Mr. Sudhindar Krishan Khanna | Non-Executive & Non-Independent Director |
| Dr. Sosale Shankara Sastry | Non-Executive & Independent Director |
| Mr. Srikant Madhav Datar* | Non-Executive & Independent Director |
| Mr. Subramanian Madhavan | Non-Executive & Independent Director |
| Mr. Keki Mistry | Non-Executive & Independent Director |
| Ms. Roshni Nadar Malhotra | Non-Executive & Non-Independent Director |

*Ceased to be Director w.e.f. 04 December 2014



HCL Technologies Limited
Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

d) Transactions with related parties during the year

| | Revenues | | Other expenses# | | Corporate guarantee fees | | Other Income(Gain on sale of building) | | Dividend Paid | |
|---|--------------------|-----------------|--------------------|-----------------|--------------------------|---------------|--|--------------|--------------------|---------------|
| | Year ended 30 June | | Year ended 30 June | | Year ended 30 June | | Year ended 30 June | | Year ended 30 June | |
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Subsidiaries | | | | | | | | | | |
| -HCL America Inc. | 5,959.14 | 6,293.01 | 692.42 | 593.69 | 2.92 | 7.50 | - | - | - | - |
| -HCL Great Britain Limited | 975.63 | 1,184.44 | 249.42 | 197.50 | 0.15 | 0.42 | - | - | - | - |
| -HCL Australia Services Pty. Limited | 441.32 | 478.56 | 7.61 | 25.62 | 0.01 | 0.05 | - | - | - | - |
| -HCL Comnet Limited | - | 0.26 | 43.10 | 46.00 | - | - | - | - | - | - |
| -HCL Sweden AB | 351.26 | 289.75 | 28.28 | 22.00 | - | - | - | - | - | - |
| -HCL Technologies UK Limited | 247.33 | 3.91 | 3.30 | - | - | (15.41) | - | - | - | - |
| -HCL Insurance BPO Services Limited | - | - | - | - | - | - | - | - | - | - |
| -Axon Solution Limited | 65.56 | 66.22 | 125.06 | 44.49 | - | - | - | - | - | - |
| -Others | 1,589.24 | 1,250.26 | 339.74 | 243.88 | 0.89 | 2.52 | - | - | - | - |
| Total (A) | 9,629.48 | 9,566.41 | 1,488.93 | 1,173.18 | 3.97 | (4.93) | - | - | - | - |
| Jointly controlled entities | | | | | | | | | | |
| -Statstreet HCL Services (India) Pvt. Ltd. | 14.80 | 8.74 | - | - | - | - | - | - | - | - |
| -Others | 4.28 | - | - | - | - | - | - | - | - | - |
| Total (B) | 19.08 | 8.74 | - | - | - | - | - | - | - | - |
| Significant influence | | | | | | | | | | |
| -HCL Infosystems Limited | 9.72 | 36.66 | 14.16 | 84.86 | - | - | - | - | - | - |
| -DigiLife Distribution and Marketing Services Limited | - | - | 0.18 | 8.00 | - | - | - | - | - | - |
| -HCL Infotech Limited | 131.68 | 104.83 | 0.04 | 0.12 | - | - | - | - | 1,020.16 | 304.95 |
| -Vama Sundari investments(Delhi) Pvt. Ltd. | - | - | 12.84 | 4.59 | - | - | - | - | 406.47 | 119.55 |
| -HCL Services Limited | - | - | - | - | - | - | - | - | - | - |
| -HCL Holding Private Limited | - | - | - | - | - | - | - | 46.66 | - | - |
| -Vama Sundari investments(Pondi) Pvt. Ltd. | - | - | - | - | - | - | - | - | - | - |
| -SSN Investment(Pondi) Private Limited. | - | - | - | - | - | - | 94.61 | - | - | - |
| -Shiv Nadar Foundation | - | - | - | - | - | - | - | - | 14.56 | 4.48 |
| -HCL Talent Care Private Limited | - | 1.10 | 14.59 | - | - | - | - | - | - | - |
| -Others | 1.17 | - | 12.64 | 0.32 | - | - | - | - | - | - |
| Total (C) | 142.57 | 142.59 | 54.45 | 97.89 | - | - | 94.61 | 46.66 | 1,441.19 | 428.98 |
| Total (A+B+C) | 9,791.13 | 9,717.74 | 1,543.38 | 1,271.07 | 3.97 | (4.93) | 94.61 | 46.66 | 1,441.19 | 428.98 |

#other expenses include outsourcing cost, rent expense and software license fees.

HCL Technologies Limited
Notes to financial statements for the year ended 30 June 2015
 (All amounts in crores of ₹, except share data and as stated otherwise)

d) Transactions with related parties during the year (continued)

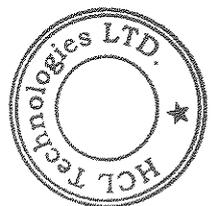
| | Repayment of loans given to subsidiaries | | Repayment of loans taken from subsidiaries | | Investments | | Payment for use of facilities | | Receipt for use of facilities | | Dividend income | | Purchase of capital equipments | |
|---|--|---------------|--|--------------|-------------|----------------|-------------------------------|-------------|-------------------------------|-------------|--------------------|--------------|--------------------------------|--------------|
| | Year ended 30 June | | Year ended 30 June | | Year ended | | Year ended 30 June | | Year ended 30 June | | Year ended 30 June | | Year ended 30 June | |
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Subsidiaries | | | | | | | | | | | | | | |
| -HCL Comnet Limited | - | 414.00 | - | 82.00 | - | - | 0.22 | 1.20 | 0.06 | 0.33 | - | - | - | 0.08 |
| -HCL Eagle Limited | - | - | - | - | - | - | - | - | 3.06 | 2.97 | - | - | - | - |
| -HCL Bermuda Limited | - | - | - | - | (59.49) | - | - | - | - | - | - | - | - | - |
| -HCL Singapore Pte Limited | - | - | - | - | - | - | - | - | - | - | 78.24 | 24.68 | - | - |
| Total (A) | - | 414.00 | - | 82.00 | - | (59.49) | 0.22 | 1.20 | 3.12 | 3.30 | 78.24 | 24.68 | - | 0.08 |
| Significant influence | | | | | | | | | | | | | | |
| -HCL Infosystems Limited | - | - | - | - | - | - | 3.31 | 1.64 | - | - | - | - | 3.07 | 27.11 |
| -SSN Investment (Pondi) Private Limited | - | - | - | - | - | - | 10.72 | - | - | - | - | - | - | - |
| -Easy Access Financial Services Limited | - | - | - | - | - | - | 1.64 | - | - | - | - | - | - | - |
| -Redington Distribution Pte. Ltd. | - | - | - | - | - | - | - | - | - | - | - | - | 18.31 | - |
| -HCL Insys Pte Limited | - | - | - | - | - | - | - | - | - | - | - | - | 0.43 | 9.52 |
| -others | - | - | - | - | - | - | 1.37 | 0.79 | - | - | - | - | 2.52 | 0.47 |
| Total (B) | - | - | - | - | - | - | 17.04 | 2.43 | - | - | - | - | 24.33 | 37.10 |
| Total (A+B) | - | 414.00 | - | 82.00 | - | (59.49) | 17.26 | 3.63 | 3.12 | 3.30 | 78.24 | 24.68 | 24.33 | 37.18 |



HCL Technologies Limited
Notes to financial statements for the year ended 30 June 2015
 (All amounts in crores of ₹, except share data and as stated otherwise)

Transactions with Key Managerial personnel during the year

| | Year ended 30 June | |
|---|--------------------|-------|
| | 2015 | 2014 |
| Chairman and Chief Strategy Officer | 12.15 | 12.07 |
| i) Remuneration | | |
| Vice- Chairman and Joint Managing Director (Upto 31 July 2013) | - | 1.47 |
| i) Remuneration | | |
| Chief Executive Officer | | 4.22 |
| i) Remuneration | 28.66 | |
| ii) Loan provided | 15.00 | - |
| iii) Loan outstanding at the end of the year | 15.00 | - |
| iv) Interest received by the Company on loan provided | 0.72 | - |
| v) Dividend paid | 0.24 | 0.10 |
| vi) Stock options | | |
| - Exercised - No's (options) | - | 6,400 |
| - Exercise price - ₹ | - | 8 |
| Chief Financial Officer | | |
| i) Remuneration | 8.14 | 3.05 |
| ii) Dividend paid | 0.21 | 0.09 |
| iii) Stock options | | |
| - Exercised - No's (options) | 3,360 | 1,120 |
| - Exercise price - ₹ | 8 | 8 |
| Company Secretary | | |
| i) Remuneration | 0.54 | 0.48 |
| ii) Dividend paid | 0.01 | - |
| iii) Stock options | | |
| - Exercised - No's (options) | 960 | - |
| - Exercise price - ₹ | 8 | - |



HCL Technologies Limited
Notes to financial statements for the year ended 30 June 2015
 (All amounts in crores of ₹, except share data and as stated otherwise)

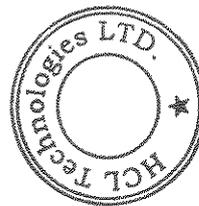
In addition to above Chairman and Chief strategy officer and Chief Financial Officer also receive remuneration from subsidiaries:

| | Year ended 30 June | |
|--|--------------------|------|
| | 2015 | 2014 |
| Chairman and Chief Strategy Officer | | |
| i) Remuneration | 4.48 | 4.71 |
| Chief Financial Officer | | |
| i) Remuneration | 1.58 | 1.36 |

Transactions with Directors during the year

| | Year ended 30 June | |
|--|--------------------|------|
| | 2015 | 2014 |
| Commission & other benefits to Directors* | 6.52 | 3.57 |

*Includes sitting fees

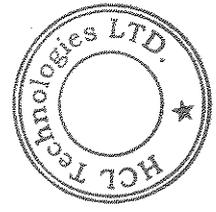


HCL Technologies Limited
Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

e) Outstanding balances with related parties

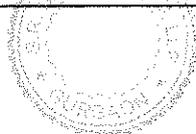
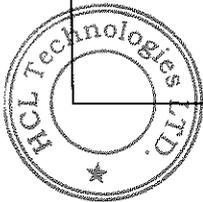
| | Trade receivables | | Trade payables | | Income received in advance | | Capital accounts payables (includes supplier credit) | |
|---|-------------------|-----------------|----------------|---------------|----------------------------|---------------|--|--------------|
| | As at 30 June | | As at 30 June | | As at 30 June | | As at 30 June | |
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Subsidiaries | | | | | | | | |
| -HCL America Inc. | 851.76 | 1,036.83 | 126.42 | 160.06 | 137.55 | 166.57 | - | - |
| -HCL Great Britain Limited | 143.78 | 257.45 | 51.53 | 19.85 | 51.42 | 80.51 | - | - |
| -HCL Singapore Pte. Limited | 22.58 | 22.67 | 11.23 | 3.76 | 1.17 | 6.13 | - | - |
| -HCL Australia Services Pty. Limited | 77.62 | 33.18 | 0.37 | 7.11 | 2.86 | 4.36 | - | - |
| -HCL Sweden AB | 65.75 | 54.08 | 5.55 | 2.65 | 15.32 | 18.98 | - | - |
| -HCL Technologies France | 157.17 | 12.48 | 2.91 | 1.87 | - | - | - | - |
| -HCL Bermuda Limited | - | - | - | - | - | - | - | - |
| -Others | 579.41 | 248.34 | 88.86 | 79.62 | 29.17 | 39.52 | - | - |
| Total (A) | 1,898.07 | 1,665.03 | 286.87 | 274.92 | 237.49 | 316.07 | - | - |
| Jointly controlled entities | | | | | | | | |
| -Statestreet HCL Services (India) Pvt. Ltd. | 2.34 | 0.78 | - | 0.08 | - | - | - | - |
| Total (B) | 2.34 | 0.78 | - | 0.08 | - | - | - | - |
| Significant influence | | | | | | | | |
| -HCL Infosystems Limited | 3.59 | 22.36 | 0.27 | 0.01 | 1.60 | 1.75 | 6.62 | 29.21 |
| -HCL Infotech Limited | 146.94 | 71.86 | 0.34 | - | 17.88 | 12.30 | 0.21 | - |
| -Others | 0.74 | - | 0.16 | - | 0.09 | - | 0.04 | 3.04 |
| Total (C) | 151.27 | 94.22 | 0.77 | 0.01 | 19.57 | 14.05 | 6.87 | 32.25 |
| Total (A+B+C) | 2,051.68 | 1,760.03 | 287.64 | 275.01 | 257.06 | 330.12 | 6.87 | 32.25 |



HCL Technologies Limited
Notes to financial statements for the year ended 30 June 2015
 (All amounts in crores of ₹, except share data and as stated otherwise)

e) Outstanding balances with related parties- Continued

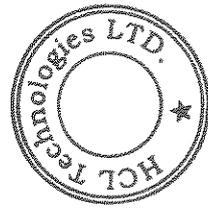
| | Guarantee outstanding (refer note 2.30 (b)) | | Liabilities for expense | | Long term income received in advance | | Capital advances | | Supplier credit | |
|---|---|-----------------|-------------------------|---------------|--------------------------------------|---------------|------------------|-------------|-----------------|--------------|
| | As at 30 June | | As at 30 June | | As at 30 June | | As at 30 June | | As at 30 June | |
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Subsidiaries | | | | | | | | | | |
| -HCL America Inc. | 180.78 | 989.48 | 235.13 | 109.99 | 47.55 | 86.65 | - | - | - | - |
| -HCL Great Britain Limited | - | 55.07 | 63.97 | 57.80 | 34.17 | 57.59 | - | - | - | - |
| -HCL Comnet Limited | - | - | 8.09 | 6.34 | - | - | - | - | - | - |
| -HCL Bermuda Limited | 100.05 | 102.62 | - | - | - | - | - | - | - | - |
| -HCL Japan Limited | - | 18.06 | 1.08 | 0.87 | - | - | - | - | - | - |
| -HCL Insurance BPO services Limited | 420.21 | 430.99 | - | - | - | - | - | - | - | - |
| -HCL Singapore Pte Limited | 29.28 | 178.15 | 8.63 | 2.68 | - | 1.29 | - | - | - | - |
| -Axon Solution Limited | - | - | 92.02 | - | - | - | - | - | - | - |
| -Others | - | 6.02 | 78.63 | 42.05 | 11.66 | 33.08 | - | - | - | - |
| Total (A) | 730.32 | 1,780.39 | 487.55 | 219.73 | 93.38 | 178.61 | - | - | - | - |
| Significant influence | | | | | | | | | | |
| -HCL Infosystems Limited | - | - | 0.56 | 7.00 | - | - | - | 0.02 | 5.71 | 3.94 |
| -Digilife Distribution and Marketing Services Limited | - | - | - | - | - | - | - | - | 0.86 | 6.59 |
| -HCL Talent Care Private Limited | - | - | 4.59 | - | - | - | - | - | - | - |
| -Others | - | - | 1.24 | 0.98 | - | - | - | - | 2.97 | - |
| Total (B) | - | - | 6.39 | 7.98 | - | - | - | 0.02 | 9.54 | 10.53 |
| Total (A+B) | 730.32 | 1780.39 | 493.94 | 227.71 | 93.38 | 178.61 | - | 0.02 | 9.54 | 10.53 |



HCL Technologies Limited
Notes to financial statements for the year ended 30 June 2015
 (All amounts in crores of ₹, except share data and as stated otherwise)

e) Outstanding balances with related parties- Continued

| | Loan and advances | | Unbilled revenue | | Deferred cost | | Advance against sale of building | | Advance received from customer | |
|--|-------------------|--------------|------------------|---------------|---------------|-------------|----------------------------------|---------------|--------------------------------|----------|
| | As at 30 June | | As at 30 June | | As at 30 June | | As at 30 June | | As at 30 June | |
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Subsidiaries | | | | | | | | | | |
| -HCL America Inc. | 15.60 | 11.88 | 334.71 | 350.20 | - | - | - | - | - | - |
| - HCL Great Britain Limited | 4.42 | 11.13 | 75.56 | 119.13 | - | - | - | - | - | - |
| -HCL Comnet Limited | 2.28 | 0.59 | 4.78 | 4.51 | 2.01 | 5.71 | - | - | - | - |
| -HCL Australia Services Pty. Limited | 0.82 | 0.87 | 18.59 | 18.83 | - | - | - | - | - | - |
| -HCL Gmbh | 10.17 | 7.31 | 0.88 | 1.02 | - | - | - | - | - | - |
| -HCL Technologies UK Limited | - | - | 46.40 | 0.49 | - | - | - | - | - | - |
| -Others | 21.45 | 10.99 | 89.70 | 48.81 | - | - | - | - | - | - |
| Total (A) | 54.74 | 42.77 | 570.62 | 542.99 | 2.01 | 5.71 | - | - | - | - |
| Jointly controlled entities | | | | | | | | | | |
| -Statestreet HCL Services (India) Pvt.Ltd. | 0.42 | 0.06 | 2.51 | 2.59 | - | - | - | - | - | - |
| -Others | 0.05 | - | 4.28 | - | - | - | - | - | - | - |
| Total (B) | 0.47 | 0.06 | 6.79 | 2.59 | - | - | - | - | - | - |
| Significant influence | | | | | | | | | | |
| -HCL Infosystems Limited | 0.95 | 6.10 | 9.06 | 9.92 | - | - | - | - | 2.41 | - |
| -SSN Investment(Pondi) Private Limited | 1.38 | - | - | - | - | - | - | 108.00 | - | - |
| -Others | 0.78 | 0.14 | 0.44 | - | - | - | - | - | - | - |
| Total (C) | 3.11 | 6.24 | 9.50 | 9.92 | - | - | - | 108.00 | 2.41 | - |
| Total (A+B+C) | 58.32 | 49.07 | 586.91 | 555.50 | 2.01 | 5.71 | - | 108.00 | 2.41 | - |



HCL Technologies Limited**Notes to financial statements for the year ended 30 June 2015**

(All amounts in crores of ₹, except share data and as stated otherwise)

2.29 Research and development expenditure

| | Year ended 30 June 2015 | Year ended 30 June 2014 |
|---------|----------------------------|----------------------------|
| Revenue | 181.77 | 152.73 |
| Capital | - | - |
| | 181.77 | 152.73 |

2.30 Commitments and Contingent liabilities

a)

| | As at 30 June 2015 | As at 30 June 2014 |
|--|-----------------------|-----------------------|
| i) Capital and other commitments | | |
| Capital commitments | | |
| Estimated amount of unexecuted capital contracts (net of advances) | 491.29 | 743.03 |
| | 491.29 | 743.03 |
| ii) Contingent Liabilities | | |
| Others | 0.63 | 1.42 |
| Total | 0.63 | 1.42 |

The amounts shown in the item above represent best estimates arrived at on the basis of available information. The possible outflows on account of contingent liabilities are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore, cannot be predicted accurately. The Company engages reputed professional advisors to protect its interest and has been advised that it has strong legal positions against such disputes.

b) Guarantees have been given by the Company on behalf of various subsidiaries against credit facilities, financial assistance and office premises taken on lease amounting to ₹ 730.32 crores (Previous year ₹ 1,780.39 crores). These guarantees have been given in the normal course of the Company's operations and are not expected to result in any loss to the Company, on the basis of the beneficiaries fulfilling their ordinary commercial obligations.

c) The Company has a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company appoints independent consultants annually for conducting transfer pricing studies to determine whether transactions with associated enterprises undertaken during the financial year, are on an "arms length basis". Adjustments, if any, arising from the transfer pricing studies in the respective jurisdictions will be accounted for when the study is completed for the current financial year. The management is of the opinion that its international transactions are at arms' length so that the outcome of the studies to corroborate compliance with legislation will not have any material adverse impact on the financial statements.



HCL Technologies Limited**Notes to financial statements for the year ended 30 June 2015**

(All amounts in crores of ₹, except share data and as stated otherwise)

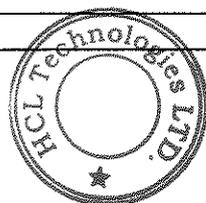
2.31 Derivative Financial Instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets / liabilities and forecast cash flows denominated in foreign currency. The use of derivatives to hedge foreign currency forecast cash flows is governed by the Company's strategy, which provides principles on the use of such forward contracts and currency options consistent with the Company's Risk Management Policy. The counter parties in these derivative instruments are banks and the Company considers the risks of non-performance by the counterparty as insignificant. A majority of the forward foreign exchange/option contracts mature within one to twelve months and the forecast transactions are expected to occur during the same period. The Company does not use forward contracts and currency options for speculative purposes.

The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding: -

| Sell Covers | As at 30 June 2015 | As at 30 June 2014 |
|-------------------------|-----------------------|-----------------------|
| Foreign Currency | ₹ Equivalent | |
| USD/INR | 3,173.97 | 3,803.23 |
| GBP/INR | 10.00 | 123.15 |
| EURO/INR | 88.97 | 300.07 |
| EURO/USD | 101.40 | 84.18 |
| AUD/USD | 62.47 | 67.87 |
| CHF/USD | 75.55 | 47.35 |
| SEK/USD | 42.77 | 5.93 |
| GBP/USD | 110.05 | - |
| ZAR/USD | 55.65 | - |
| JPY/USD | 15.60 | - |
| NOK/USD | 93.85 | - |
| RUB/USD | 21.18 | - |
| CHF/INR | 6.84 | - |
| SEK/INR | 11.60 | - |
| | 3,869.90 | 4,431.78 |

| Options | As at 30 June 2015 | As at 30 June 2014 |
|----------------------|-----------------------|-----------------------|
| | ₹ Equivalent | |
| Range Forward | | |
| USD/INR | 3,336.72 | 1,508.75 |
| GBP/INR | 543.77 | 302.75 |
| EURO/INR | 663.65 | 313.22 |
| AUD/INR | 67.51 | 16.97 |
| Seagull | | |
| USD/INR | 182.04 | - |
| Euro/INR | 30.61 | - |
| Total | 4,824.30 | 2,141.69 |



HCL Technologies Limited**Notes to financial statements for the year ended 30 June 2015**

(All amounts in crores of ₹, except share data and as stated otherwise)

The following table summarizes the activity in the hedging reserve related to all derivatives classified as cash flow hedges during the years ended 30 June 2015 and 2014.

| | Year ended 30 June 2015 | Year ended 30 June 2014 |
|--|----------------------------|----------------------------|
| (Loss)/Gain as at the beginning of the year | (261.33) | (631.27) |
| Unrealized gain/(loss) on cash flow hedging derivatives during the year | 121.67 | (174.63) |
| Net losses reclassified into net income on occurrence of hedged transactions | 89.27 | 544.57 |
| Net losses reclassified into net income as hedged transactions are not likely to occur | - | - |
| Loss as at the end of the year (refer note 1 below) | (50.39) | (261.33) |
| Deferred tax | 9.71 | 51.05 |
| Hedging reserve account (net of deferred tax) | (40.68) | (210.28) |

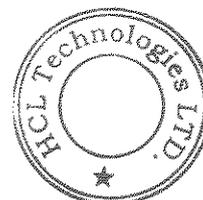
Notes:

1. As of the balance sheet date, the Company's net foreign currency exposure that is not hedged is ₹ Nil (Previous year ₹ 942.96 crores).
2. At 30 June 2015, the estimated net amount of existing loss that is expected to be reclassified into the income statement within the next twelve months is ₹ 12.88 crores (Previous year loss of ₹ 132.89 crores).

2.32 Earnings per equity share (EPS)

| | Year ended | |
|--|---------------|---------------|
| | 30 June 2015 | 30 June 2014 |
| Net profit as per statement of profit and loss for computation of EPS | 6,345.95 | 5,984.62 |
| Weighted average number of shares outstanding in computation of basic EPS* | 1,404,808,456 | 1,397,233,894 |
| Dilutive effect of stock options outstanding* | 8,142,875 | 18,994,532 |
| Weighted average number of equity shares outstanding in computing diluted EPS* | 1,412,951,331 | 1,416,228,426 |
| Nominal value of equity shares (in ₹) | 2 | 2 |
| Earnings per equity share (in ₹) | | |
| - Basic | 45.17 | 42.83 |
| - Diluted | 44.91 | 42.26 |

*Adjusted for bonus issue, refer note 2.1



HCL Technologies Limited
Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.33 Micro and Small Enterprises

As per information available with the management, the dues payable to enterprises covered under "The Micro, Small and Medium Enterprises Development Act, 2006" are as follows:

| | For the year ended 30 June 2015 | | For the year ended 30 June 2014 | |
|---|------------------------------------|----------|------------------------------------|----------|
| | Principal | Interest | Principal | Interest |
| Amount due to vendor | 0.64 | 0.04 | 0.03 | 0.00 |
| Principal amount paid beyond the appointed date | | - | | - |
| Interest under normal credit terms - | | | | |
| Accrued and unpaid during the year | | - | | - |
| Total interest payable - | | | | |
| Accrued and unpaid during the year | | 0.04 | | 0.01 |

This has been determined on the basis of responses received from vendors on specific confirmation sought by the Company.

2.34 Employee Benefit Plans

The Company has calculated the various benefits provided to employees as shown below

A. Defined Contribution Plans and State Plans

Superannuation Fund

Employer's contribution to Employees State Insurance

Employer's contribution to Employee Pension Scheme

During the year the Company has recognized the following amounts in the statement of profit and loss:-

| | Year ended 30 June 2015 | Year ended 30 June 2014 |
|--|----------------------------|----------------------------|
| Superannuation Fund | 1.78 | 2.02 |
| Employer's contribution to Employees State Insurance | 3.30 | 3.20 |
| Employer's contribution to Employee's Pension Scheme | 72.63 | 40.98 |
| Total | 77.71 | 46.20 |

B. Defined Benefit Plans

a) Gratuity

b) Employer's Contribution to Provident Fund

Gratuity

The Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure of 15 days base salary (last drawn salary) for each completed year of service subject to maximum of ₹ 10 Lacs per employee.



HCL Technologies Limited
Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

The following table sets out the status of the gratuity plan:

Statement of profit and loss

Net employee benefit expense (recognized in employee cost)

| | Year ended 30 June 2015 | Year ended 30 June 2014 |
|---|----------------------------|----------------------------|
| Current service cost | 45.80 | 43.38 |
| Interest cost on benefit obligation | 20.34 | 15.97 |
| Net actuarial gain recognized in the year | (7.41) | (25.67) |
| Past service cost | - | - |
| Net benefit expense | 58.73 | 33.68 |

Balance Sheet

Details of provision for gratuity

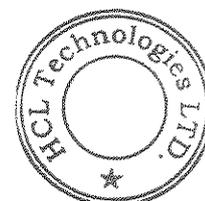
| | Year ended 30 June 2015 | Year ended 30 June 2014 |
|--------------------------------------|----------------------------|----------------------------|
| Defined benefit obligations | 245.36 | 207.94 |
| Fair value of plan assets | - | - |
| | 245.36 | 207.94 |
| Less: Unrecognized past service cost | - | - |
| Plan liability | 245.36 | 207.94 |

Changes in present value of the defined benefit obligation are as follows:

| | Year ended 30 June 2015 | Year ended 30 June 2014 |
|--|----------------------------|----------------------------|
| Opening defined benefit obligations | 207.94 | 188.38 |
| Current service cost | 45.80 | 43.38 |
| Interest cost | 20.34 | 15.97 |
| Actuarial gain on obligation | (7.41) | (25.67) |
| Benefits paid | (21.31) | (14.12) |
| Closing defined benefit obligations | 245.36 | 207.94 |

| | Year ended 30 June 2015 | Year ended 30 June 2014 |
|------------------------------------|----------------------------|----------------------------|
| Discount rate | 8.05% | 8.80% |
| Estimated Rate of salary increases | 7% | 7% |
| Employee Turnover | 23% | 21% |
| Expected rate of return on assets | N.A. | N.A. |

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



HCL Technologies Limited**Notes to financial statements for the year ended 30 June 2015**

(All amounts in crores of ₹, except share data and as stated otherwise)

The following table sets out the experience adjustment to plan liabilities as required under AS-15 (Revised):

| | Year ended 30 June | | | | |
|---|--------------------|--------|--------|--------|--------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Defined benefit obligations | 245.36 | 207.94 | 188.38 | 140.65 | 100.58 |
| Experience adjustment to plan liabilities | (17.05) | (8.78) | (1.19) | 7.69 | 6.75 |

Employer's contribution to provident fund

The actuary has provided a valuation and based on the assumption mentioned below, there is no shortfall as at 30 June 2015 and 30 June 2014.

The details of the fund and plan asset position are given below:-

| | 30 June 2015 | 30 June 2014 |
|---|--------------|--------------|
| Plan assets at the year end | 1,845.71 | 1,487.05 |
| Present value of benefit obligation at year end | 1,845.71 | 1,487.05 |
| Asset recognized in balance sheet | - | - |

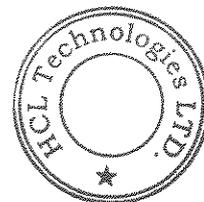
Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach.

| | 30 June 2015 | 30 June 2014 |
|-------------------------------------|--------------|--------------|
| Government of India(GOI) bond yield | 9.44% | 9.49% |
| Remaining term of maturity | 7.83 Years | 9.40 Years |
| Expected guaranteed interest rate | 8.75% | 8.75% |

During the year ended 30 June 2015, the Company has contributed ₹ 83.80 crores (Previous year ₹ 92.79 crores) towards employer's contribution to the provident fund.

2.35 Corporate social responsibility

As required by the Companies Act, 2013, the gross amount required to be spent by the Company on CSR activities is ₹ 89.99 crores and the amount spent during the year is ₹ 6.22 crores.



HCL Technologies Limited
Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.36 Particulars of purchases, sales and closing stock of trading goods:

| ITEMS | Opening Stock | Purchases | Sales | Closing Stock |
|-------------------|-------------------------|---------------------------|---------------------------|-------------------------|
| | Value (₹) | Value (₹) | Value (₹) | Value (₹) |
| Software Licenses | 2.33 (21.98) | 38.49 (28.94) | 42.03 (54.52) | 5.56 (2.33) |
| Servers | 4.04 (3.73) | 137.43 (190.47) | 136.40 (220.34) | 2.99 (4.04) |
| Storage devices | 0.07 (0.70) | 39.37 (38.23) | 31.63 (49.55) | 2.27 (0.07) |
| Routers | 0.13 (1.60) | 25.41 (3.78) | 21.09 (10.03) | 0.08 (0.13) |
| Switches | 0.15 (2.59) | 25.17 (6.75) | 25.39 (18.07) | 0.72 (0.15) |
| Others* | 8.82 (49.69) | 97.89 (77.20) | 58.22 (129.62) | 70.15 (8.82) |
| Total | 15.54 (80.29) | 363.76 (345.37) | 314.76 (482.13) | 81.77 (15.54) |

* Does not include any item which in value individually accounts for 10% or more of the total value of sales/ stock

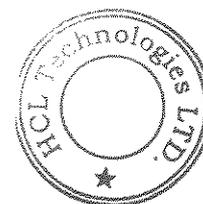
Notes: previous year figures are given in brackets.



HCL Technologies Limited
Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

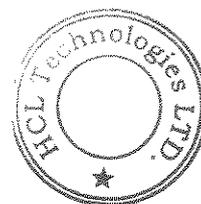
| | Year ended 30 June 2015 | Year ended 30 June 2014 |
|--|----------------------------|----------------------------|
| 2.37 CIF value of imports | | |
| Capital goods | 142.75 | 138.25 |
| Others | 58.28 | 28.86 |
| | 201.03 | 167.11 |
| 2.38 Auditors' remuneration * | | |
| A. As Auditors | | |
| Statutory audit | 2.66 | 2.42 |
| Tax audit fees | 0.30 | 0.28 |
| Out of pocket expenses | 0.20 | 0.20 |
| B. For Certification | 0.24 | 0.39 |
| | 3.40 | 3.29 |
| * excluding service tax | | |
| 2.39 Expenditure in foreign currency (on accrual basis) | | |
| Outsourcing costs | 1,219.15 | 1,072.21 |
| Travel | 206.64 | 194.53 |
| Rates and taxes | 1.71 | 3.16 |
| Software license fee | 32.98 | 59.29 |
| Communication costs | 16.70 | 19.15 |
| Professional fees | 0.63 | 23.94 |
| Recruitment training and development | 8.22 | 6.60 |
| Repair and maintenance | 9.10 | 6.58 |
| Dues & subscription | - | 11.35 |
| Others | 40.63 | 22.59 |
| | 1,535.76 | 1,419.40 |
| 2.40 Earnings in foreign currency (on accrual basis) | | |
| Income from services | 14,684.51 | 14,239.77 |
| | 14,684.51 | 14,239.77 |



HCL Technologies Limited**Notes to financial statements for the year ended 30 June 2015**

(All amounts in crores of ₹, except share data and as stated otherwise)

| 2.41 | Dividend remitted in foreign currency | Year ended 30 June 2015 | Year ended 30 June 2014 |
|-------------|--|------------------------------------|------------------------------------|
| | Final dividend | | |
| | Number of non-resident shareholders | - | 56 |
| | Number of shares held | - | 119,980,029 |
| | Amount remitted in ₹ (net of tax) | - | 71.99 |
| | Amount remitted FCY | - | \$11,612,844 |
| | Year to which it relates | - | 2012-13 |
| | 1st Interim dividend | | |
| | Number of non-resident shareholders | 48 | 56 |
| | Number of shares held | 119,957,036 | 119,953,649 |
| | Amount remitted in ₹ (net of tax) | 143.95 | 23.99 |
| | Amount remitted FCY | \$23,526,754 | \$3,901,249 |
| | Year to which it relates | 2014-15 | 2013-14 |
| | 2nd Interim dividend | | |
| | Number of non-resident shareholders | 47 | 53 |
| | Number of shares held | 119,923,196 | 119,979,529 |
| | Amount remitted in ₹ (net of tax) | 71.95 | 47.99 |
| | Amount remitted FCY | \$11,700,775 | \$7,714,485 |
| | Year to which it relates | 2014-15 | 2013-14 |
| | 3rd Interim dividend | | |
| | Number of non-resident shareholders | 47 | 50 |
| | Number of shares held | 119,923,196 | 119,942,486 |
| | Amount remitted in ₹ (net of tax) | 95.94 | 47.98 |
| | Amount remitted FCY | \$15,444,815 | \$7,917,322 |
| | Year to which it relates | 2014-15 | 2013-14 |
| | 4th Interim dividend | | |
| | Number of non-resident shareholders | 47 | - |
| | Number of shares held | 239,846,392 | - |
| | Amount remitted in ₹ (net of tax) | 95.94 | - |
| | Amount remitted FCY | \$15,175,349 | - |
| | Year to which it relates | 2014-15 | - |



HCL Technologies Limited

Notes to financial statements for the year ended 30 June 2015

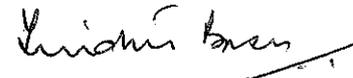
(All amounts in crores of ₹, except share data and as stated otherwise)

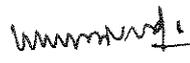
2.42 Previous year figures have been rearranged to conform to the current year's classification.

As per our report of even date

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

FOR S. R. BATLIBOI & CO. LLP
ICAI Firm Registration Number : 301003E
Chartered Accountants

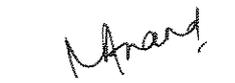

per Tridibes Basu
Partner
Membership Numer:17401


Shiv Nadar
Chairman and Chief Strategy Officer


Amal Ganguli
Director

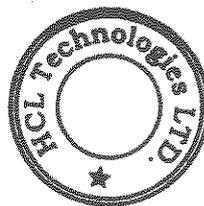

Anant Gupta
President and Chief Executive Officer


Anil Chanana
Chief Financial Officer


Manish Anand
Company Secretary

Gurgaon, India
03 August 2015

Noida (UP), India
03 August 2015



HCL COMNET LIMITED
INDIAN - GAAP
STANDALONE FINANCIAL STATEMENT
For the year ended June 30, 2015

INDEPENDENT AUDITOR'S REPORT

To the Members of HCL Comnet Limited

Report on the Financial Statements

We have audited the accompanying Financial Statements of HCL Comnet Limited ("the Company"), which comprise the Balance Sheet as at June 30, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at June 30, 2015, its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on June 30, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on June 30, 2015, from being appointed as a director in terms of section 164 (2) of the Act;



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as of June 30, 2015;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W



per **Yogesh Midha**

Partner

Membership Number: 094941

Place: Gurgaon, India

Date: *September 29, 2015*



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

**Annexure referred to in paragraph 1 of the section on “Report on Other Legal and Regulatory Requirements” of our report of even date
Re: HCL Comnet Limited (the Company)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets were physically verified by the management in accordance with a planned programme of verifying them in phased manner over the period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) Undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

| Name of the Statute | Nature of Dues | Amount (Rs.) | Period to which the amount relates | Forum where dispute is pending |
|---|-----------------|--------------|------------------------------------|--|
| Income Tax Act, 1961 | Income Tax | 40,107 | 2010-11 | Commissioner of Income Tax (Appeals) |
| Income Tax Act, 1961 | Income Tax | 10,207,935 | 2006-07 | Commissioner of Income Tax (Appeals) |
| Income Tax Act, 1961 | Income Tax | 30,510,965 | 2009-10 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961 | Income Tax | 29,780,371 | 2006-07 | Income Tax Appellate Tribunal |
| Income Tax Act, 1961 | Income Tax | 30,768,721 | 2004-05 | Income Tax Appellate Tribunal |
| Finance Act 1994, read with Service Tax Rules, 1994 | Service Tax | 8,834,504 | 2007-10 | Customs ,Excise, Service Tax Appellant Tribunal, New Delhi |
| Central Sales Tax 1956 | Sales Tax | 543,738 | 2008-09 | West Bengal Commercial Tax Appellate & Revisional Board |
| Central Sales Tax 1956 | Sales Tax | 1,040,092 | 2009-10 | West Bengal Commercial Tax Appellate & Revisional Board |
| Central Sales Tax 1956 | Sales Tax | 370,744 | 2010-11 | West Bengal Commercial Tax Appellate & Revisional Board |
| West Bengal value added tax act 2003 | Value Added Tax | 49,000 | 2009-10 | West Bengal Commercial Tax Appellate & Revisional Board |
| West Bengal value added tax act 2003 | Value Added Tax | 1,123,438 | 2010-11 | West Bengal Commercial Tax Appellate & Revisional Board |

- (d) According to the information and explanations given to us, the provisions of investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder are not applicable to the company.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not issued any debentures and has not defaulted in repayment of dues to a financial institution or bank.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W



per Yogesh Midha

Partner

Membership Number: 094941

Place: Gurgaon, India

Date: September 29, 2015



HCL Comnet Limited
Balance Sheet as at June 30, 2015
(All amounts in ₹)

| | Note No. | As at June 30, 2015 | As at June 30, 2014 |
|--|----------|-----------------------------|-----------------------------|
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholders' funds | | | |
| (a) Share capital | 2.1 | 9,499,000 | 9,499,000 |
| (b) Reserves and surplus | 2.2 | 2,366,666,886 | 1,900,123,695 |
| | | <u>2,376,165,886</u> | <u>1,909,622,695</u> |
| (2) Non - current liabilities | | | |
| (a) Long-term borrowings | 2.3 | 26,418,040 | 4,958,095 |
| (b) Other long-term liabilities | 2.4 | 480,380,125 | 339,894,984 |
| (c) Long term provisions | 2.5 | 58,370,836 | 47,423,862 |
| | | <u>565,169,001</u> | <u>392,276,941</u> |
| (3) Current liabilities | | | |
| (a) Trade payables | 2.6 | 442,502,120 | 396,322,690 |
| (b) Other current liabilities | 2.6 | 2,752,170,160 | 3,989,461,399 |
| (c) Short term provisions | 2.7 | 46,796,750 | 39,855,464 |
| | | <u>3,241,469,030</u> | <u>4,425,639,553</u> |
| TOTAL | | <u><u>6,182,803,917</u></u> | <u><u>6,727,539,189</u></u> |
| II. ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Fixed Assets | | | |
| (i) Tangible assets | 2.8 | 87,646,486 | 175,674,911 |
| (ii) Intangible assets | 2.8 | 5,392,963 | 290,419 |
| (iii) Capital work in progress | | 9,311,932 | 3,909,755 |
| | | <u>102,351,381</u> | <u>179,875,085</u> |
| (b) Deferred tax assets (net) | 2.9 | 423,667,847 | 396,568,567 |
| (c) Long term loans and advances | 2.10 | 993,877,446 | 1,154,195,371 |
| (d) Other non-current assets | 2.11 | 102,066,656 | 76,644,687 |
| | | <u>1,621,963,330</u> | <u>1,807,283,710</u> |
| (2) Current Assets | | | |
| (a) Current investments | 2.12 | 1,212,648,339 | 580,005,047 |
| (b) Inventories | 2.13 | 235,472,844 | 156,823,434 |
| (c) Trade receivables | 2.14 | 1,492,425,992 | 2,254,576,563 |
| (d) Cash and bank balances | 2.15 | 436,707,763 | 924,867,653 |
| (e) Short - term loans and advances | 2.16 | 599,269,324 | 615,525,826 |
| (f) Other current assets | 2.17 | 584,316,325 | 388,456,956 |
| | | <u>4,560,840,587</u> | <u>4,920,255,479</u> |
| TOTAL | | <u><u>6,182,803,917</u></u> | <u><u>6,727,539,189</u></u> |
| Summary of significant accounting policies | 1 & 2 | | |

The accompanying notes are an integral part of financial statements

As per our report of even date

For S. R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants


per **Yogesh Midha**
Partner
Membership Number: **94941**

Gurgaon, India
Date: **September 29, 2015**



For HCL Comnet Limited


Prahlad Rai Bansal
Director


Manish Anand
Director

Noida (UP), India
Date: **29/9/2015**

HCL Comnet Limited
Statement of Profit and Loss for the year ended June 30, 2015
(All amounts in ₹ except share data unless otherwise stated)

| | Note No. | Year ended June 30, 2015 | Year ended June 30, 2014 |
|--|----------|-----------------------------|-----------------------------|
| Income | | | |
| Revenue from operations | 2.18 | 5,045,663,934 | 5,466,023,115 |
| Other income | 2.19 | 729,554,121 | 174,684,281 |
| Total revenue | | 5,775,218,055 | 5,640,707,396 |
| Expenses | | | |
| Purchases of stock-in-trade | 2.35 | 1,536,522,438 | 1,480,387,290 |
| Changes in inventories of stock-in-trade | 2.20 | 127,523,743 | 427,811,041 |
| Employee benefit expenses | 2.21 | 1,365,543,724 | 1,159,657,479 |
| Finance costs | 2.22 | 83,126,682 | 113,513,637 |
| Depreciation and amortization expense | 2.8 | 21,564,794 | 58,219,294 |
| Other expenses | 2.23 | 2,064,118,790 | 2,154,338,953 |
| Total expenses | | 5,198,400,171 | 5,393,927,694 |
| Profit before tax | | 576,817,884 | 246,779,702 |
| Tax expense | | | |
| - current tax | | (137,373,973) | (49,857,875) |
| - deferred tax (expense) / credit | | 27,099,280 | (31,607,361) |
| Total current tax | | (110,274,693) | (81,465,236) |
| Profit for the year | | 466,543,191 | 165,314,466 |
| Earnings per equity share of par value ₹ 10 each (computed on the basis of profit for the year) | 2.40 | | |
| Basic and Diluted (₹) | | 491.15 | 174.03 |
| Summary of significant accounting policies | 1 & 2 | | |

The accompanying notes are an integral part of financial statements

As per our report of even date

For S. R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants
per *Yogesh Midha*
Partner
Membership Number: 94941

For HCL Comnet Limited

cmr 1
Prahlaad Rai Bansal
Director

Manish
Manish Anand
Director

Gurgaon, India
Date: September 29, 2015

Noida (UP), India
Date: 29/9/2015

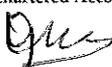


HCL Comnet Limited
Cash flow statement
(All amounts in ₹)

| | Year ended June 30, 2015 | Year ended June 30, 2014 |
|--|-----------------------------|-----------------------------|
| A. Cash flows from operating activities | | |
| Profit before tax | 576,817,884 | 246,779,702 |
| Adjustment for: | | |
| Depreciation and amortization expenses | 21,564,794 | 58,219,294 |
| Interest income | (65,727,135) | (62,578,525) |
| Interest expenses | 71,581,218 | 98,831,525 |
| Profit on sale of fixed assets | (592,594,179) | (150,311) |
| Profit on sale of investments | (27,250,935) | (73,832,253) |
| Provisions no longer required written back | (7,937,601) | (5,575,853) |
| Provision for doubtful advance written off | 2,273,273 | - |
| Provision for doubtful debts / bad debt written off | 100,014,901 | 202,569,371 |
| Provision for doubtful advances | - | 4,786,530 |
| Operating profit before working capital changes | 78,742,222 | 469,049,480 |
| Movement in Working Capital | | |
| (Increase) / decrease in trade receivables | 662,135,670 | (983,533,525) |
| (Increase) / decrease in loans and advances | (62,209,470) | (131,073,547) |
| (Increase) / decrease in other assets | (237,679,029) | 177,201,407 |
| (Increase) / decrease in inventories | (78,649,410) | 231,052,491 |
| Increase / (decrease) in liabilities and provisions | (294,338,927) | 1,084,243,342 |
| Cash generated from operations | 68,001,055 | 846,939,649 |
| Direct taxes paid (net of refunds) | 15,225,602 | (179,637,554) |
| Net cash from / (used in) operating activities (A) | 83,226,658 | 667,302,095 |
| B. Cash flows from investing activities | | |
| Investment in fixed deposits | (459,802,500) | (760,840,000) |
| Proceeds from maturity of fixed deposits | 1,040,000,000 | 2,000,010,000 |
| Purchase of investments in mutual funds | (4,355,000,000) | (4,935,000,000) |
| Investment in fellow subsidiaries | - | (80,000,000) |
| Proceeds from sale of mutual funds | 3,749,607,643 | 6,320,774,028 |
| Loans given to fellow subsidiaries | - | (47,000,000) |
| Repayment of loans given to fellow subsidiaries | 46,500,000 | - |
| Proceeds from repayment of loans given to holding company | - | 820,000,000 |
| Proceeds from deposits placed with body corporate | 70,000,000 | 285,000,000 |
| Purchase of fixed assets, including intangible assets, CWIP and capital advances | (54,672,664) | (729,479,052) |
| Advance against sale of building | - | 720,000,000 |
| Proceeds from sale of fixed assets | 587,870 | 763,721 |
| Interest received | 82,124,825 | 80,146,349 |
| Taxes paid | (22,005,861) | (20,467,296) |
| Net cash from investing activities (B) | 97,339,312 | 3,653,907,750 |
| C. Cash flows from financing activities | | |
| Repayment of short term borrowings from holding company | - | (4,128,451,774) |
| Proceeds from long term borrowings | 47,698,007 | 2,979,695 |
| Repayment of long term borrowings | (64,530,068) | (195,145,847) |
| Principal payment on finance lease obligations | - | (1,101,083) |
| Interest paid | (71,696,298) | (100,345,360) |
| Net cash from / (used in) financing activities (C) | (88,528,359) | (4,422,064,369) |
| Net increase in cash and cash equivalents (A+B+C) | 92,037,611 | (100,854,524) |
| Cash and cash equivalents at the beginning of the year | 164,867,653 | 265,722,177 |
| Cash and cash equivalents at the end of the year as per note 2.15 | 256,905,264 | 164,867,653 |

As per our report of even date.

For S. R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants

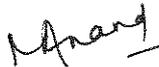
per 
Partner **Yogesh Midha**
Membership Number: 94941

Gurgaon, India
Date: **September 29, 2015**



For HCL Comnet Limited


Prahlad Rai Bansal
Director


Manish Anand
Director

Noida (UP), India
Date: **29/9/2015**

HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

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

Company Overview

HCL Comnet Limited was incorporated in India in August 2001 and focuses on providing technology services. The Company is providing data communication services which include trading of satellite and non satellite based communication equipments such as VSAT, Routers, switches, Modems etc, application operation services and services related to installation and maintenance of networking equipment. The Company is providing the services across Defense, Financial services, Government, Telecom, PSU's, Energy and utilities.

1. Summary of Significant accounting policies

a) Basis of preparation

The financial statements of the Group have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). These consolidated financial statements have been prepared to comply in all material aspects with applicable accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared under the historical cost convention on an accrual and going concern basis except for certain financial instruments which are measured at fair value.

The accounting policies adopted in the preparation of the financial statements are consistent with those of the previous year unless stated specifically in the accounting policies below.

b) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates.

c) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from sale of goods and rendering of services is recognized when risk and reward of ownership have been transferred to the customer, the sale price is fixed or determinable and collectability is reasonably assured.

Revenue from sale of products is recognized when persuasive evidence of an arrangement exists, risk and reward of ownership has been transferred to the customer, the sales price is fixed or determinable and collectability is reasonably assured. Revenue from installation services is recognized when installation of networking equipment at customer site is completed and accepted by the customer. Revenue from maintenance services is recognized ratably over the period of the contract. Revenue from infrastructure management services comprise income from time-and-material, and fixed price contracts. Revenue with respect to time-and-material contracts is recognized as related services are performed. Revenue with respect to fixed price contracts is recognized in accordance with the percentage of completion method.

Warranty costs on sale of goods and services are accrued based on management estimates and historical data at the time those related revenues are recognized.

Unearned income arising in respect of maintenance services is calculated on the basis of unutilized period of service at the balance sheet date and represents revenue, which is expected to be earned in future periods in respect of these services.



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

Revenues are shown net of value added tax, service tax and applicable discounts and allowances. The revenue is recognized net of discounts and allowances.

Products which are delivered and acceptance not received are considered as deferred cost.

Interest on the deployment of surplus funds is recognized using the time-proportion method, based on interest rates implicit in the transaction. Commission and rent are recognized once the same are earned and accrued to the Company and dividend income is recognized when the right to receive the dividend is established.

d) Tangibles fixed assets and capital work-in-progress

Fixed assets are stated at the cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any 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.

Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing assets beyond its previously assessed standard or period of performance. All other expenses on the existing fixed assets, including day to day repair and maintenance expenditure and cost of replacing parts are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gain or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount are recognised in the Statement of Profit and Loss when the asset is derecognized.

Fixed assets under construction, and cost of assets not ready for use before the year-end, are disclosed as capital work in progress.

e) Depreciation on tangible fixed assets

Depreciation on fixed assets is provided on the straight-line method over their estimated useful lives, as determined by the management, Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

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

| | Life (in years) |
|---|--|
| Land-leasehold | Over the period of lease (up to maximum of 99 years) |
| Buildings | 20 |
| Plant and machinery (including air conditioners, electrical installations) | 10 |
| Office equipments | 5 |
| Computers | 4-5 |
| Furniture and fixtures | 7 |
| Vehicles – owned | 5 |
| Vehicles – leased | Over the period of lease or 5 years, whichever is lower |
| Leasehold- improvements | Over the remaining period of lease or 4 years, whichever is lower |



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

The useful lives as given above best represent the period over which the management expects to use these assets, based on technical assessment. Hence, the useful lives for these assets are different from the useful lives prescribed under Part C of Schedule II of the Companies Act 2013.

Till year ended 30 June 2014, to comply with the requirements of Schedule XIV to the Companies Act, 1956, the Company was charging 100% depreciation on assets costing ` 5,000/- or less in the year of purchase. However, to comply with the requirement of Schedule II to the Companies Act, 2013, the Company has changed its accounting policy for depreciation of assets costing ` 5,000/- or less. As per the revised policy, the Company depreciates such assets over their useful lives as assessed by the management. The management has decided to apply the revised accounting policy prospectively from the accounting year commencing on or after 01 July 2014.

The change in accounting for depreciation of assets costing less than ₹5,000/- did not have any material impact on financial statements of the company for the current year.

f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following the initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over their estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from the previous estimate, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefit from the asset, the amortization method is changed to reflect the changed pattern.

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

Goodwill arising out of amalgamation is amortized over 5 years unless a longer period can be justified.

The management's estimates of the useful life of Software is 3 years.

g) Impairment of tangible and intangible assets

An assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible or intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. The recoverable amount is the higher of an asset's or cash generating unit's net selling price or its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

h) Leases

Where the Company is the lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value or present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance cost in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of the lease are capitalized.

A leased asset is depreciated on a straight line basis over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight line basis over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor

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 a finance lease are recognized as a receivable at an amount equal to the net investment in the leased assets. 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.

Leases in which the Company does not transfer substantially all the risk and benefits of ownership of the assets are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight line basis over the lease term. Costs, including depreciation, are recognized as an expense 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.

i) Inventories

Stock in trade, stores and spares are valued at the lower of the cost or net realizable value. 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 identification of 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.

j) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date of which such investments are made, are classified as current investments. All other investments are classified as long term investments.

On initial recognition, all investments are measured at cost. The cost comprises the purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired by the issue of shares or the other securities, the acquisition cost is the fair value of securities issued.



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

If an investment is acquired in exchange of another assets, the acquisition is determined by reference to the fair value of the assets given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of long term investments.

On disposal of investments, the difference between its carrying amount and net disposal is charged and credited to statement of profit and loss.

k) Foreign currency translation

i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange Differences

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

l) Taxation

Tax expense comprises of current and deferred tax. Current income tax expense comprises taxes on income from operations in India. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961 (enacted in India). Deferred tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. 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 tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses recognized and unrecognized deferred tax assets. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which the deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. The Company recognizes unrecognized deferred tax assets to the extent that it has become



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

m) Retirement and other employee benefits

- i. Contributions to provident fund, a defined benefit plan, are deposited with a Recognized Provident Fund Trust, set up by the Company. The Company's liability is actuarially determined at the end of the year. Actuarial losses/ gains are recognised in the statement of profit and loss in the year in which they arise. The interest rate payable by the trust to the beneficiaries every year is notified by the government and the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.
- ii. In respect of superannuation, a defined contribution plan for applicable employees, the Company contributes to a scheme administered on its behalf by an insurance company and such contributions for each year of service rendered by the employees are charged to the statement of profit and loss. The Company has no further obligations to the superannuation plan beyond its contributions.
- iii. Gratuity liability: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's base salary and the tenure of employment (subject to maximum of ₹ 10 Lacs per employee). The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.
- iv. Compensated absences: The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. 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 period in which the absences occur.
- v. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.
- vi. State Plans : The Company's contribution to State Plans , a defined contribution plan namely Employee State Insurance Fund and Employee's Pension Scheme are charged to the statement of profit and loss.

n) Earnings per share

Basic earnings per share are computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed by dividing the net profit after tax 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.

o) Borrowing cost

Borrowing costs includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing cost 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 respective asset. All other borrowing cost is expensed in the period they occur.



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

p) Provisions

A provision is recognized when there exists a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to present value and are determined based on best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

q) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable than an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The company does not recognise a contingent liability but discloses its existence in the financial statements.

r) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term deposits with banks with an original maturity of three months or less.

2 Notes to financial statements

2.1 Share Capital

| | As at | |
|--|---------------|---------------|
| | June 30, 2015 | June 30, 2014 |
| Authorized 1,100,000 (Previous year, 1,100,000) equity shares of ₹ 10 each | 11,000,000 | 11,000,000 |
| Issued, subscribed and fully paid up 949,900 (Previous year, 949,900) equity shares of ₹ 10 each fully paid up | 9,499,000 | 9,499,000 |

The Company has only one class of shares issued referred to as equity shares having a par value of ₹ 10/- 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 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 shares outstanding at the beginning and at the end of the reporting period

| | As at | | | |
|------------------------------------|---------------|---------------|---------------|---------------|
| | June 30, 2015 | | June 30, 2014 | |
| | No. of shares | (Amount in ₹) | No. of shares | (Amount in ₹) |
| Number of shares at the beginning | 949,900 | 9,499,000 | 949,900 | 9,499,000 |
| Add: Shares issued during the year | - | - | - | - |
| Number of shares at the end | 949,900 | 9,499,000 | 949,900 | 9,499,000 |



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

Shares held by holding / ultimate holding company and / or their subsidiaries/associates:

Out of equity shares issued by the company, shares held by its holding company, are as below:

| | As at | | | |
|--|---------------|------------------------|---------------|------------------------|
| | June 30, 2015 | | June 30, 2014 | |
| | No. of shares | % holding in the class | No. of shares | % holding in the class |
| Equity shares of ₹10 each fully paid HCL Technologies Limited | 949,900 | 100.00% | 949,900 | 100.00% |

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

| | As at | | | |
|--|---------------|------------------------|---------------|------------------------|
| | June 30, 2015 | | June 30, 2014 | |
| | No. of shares | % holding in the class | No. of shares | % holding in the class |
| Equity shares of ₹10 each fully paid HCL Technologies Limited | 949,900 | 100.00% | 949,900 | 100.00% |

As per the records of the company, including its register of shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

There are no bonus shares issued, no shares issued for consideration other than cash and no shares bought back during five years immediately preceding the reporting date.

2.2 Reserves and Surplus

| | As at | |
|--|----------------------|----------------------|
| | June 30, 2015 | June 30, 2014 |
| Securities premium account | | |
| Balance as at year end | 539,940,000 | 539,940,000 |
| | 539,940,000 | 539,940,000 |
| Surplus in the statement of profit and loss | | |
| Balance as per last financial statements | 1,360,183,695 | 1,194,869,229 |
| Add - Profit for the year | 466,543,191 | 165,314,466 |
| Net surplus in statement of profit and loss | 1,826,726,886 | 1,360,183,695 |
| | 2,366,666,886 | 1,900,123,695 |



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

2.3 Long term borrowings

| | Non-current portion | | Current portion | |
|---|---------------------|------------------|-----------------|---------------|
| | June 30, 2015 | June 30, 2014 | June 30, 2015 | June 30, 2014 |
| (a) Secured | | | | |
| From bank | | | | |
| Long term loans (refer note 1 below) | 3,407,340 | 3,675,137 | 1,631,735 | 1,238,630 |
| From others | | | | |
| Others (refer note 2 below) | - | - | - | 7,613,064 |
| Finance lease obligations (refer note 3 below) | - | - | - | 203,302 |
| (b) Unsecured | | | | |
| Others (refer note 4 below) | 23,010,700 | 1,282,958 | 15,463,425 | 46,535,471 |
| Amount disclosed under the head "Other current liabilities" (note 2.6) | | | (17,095,160) | (55,590,467) |
| | 26,418,040 | 4,958,095 | - | - |

Note:-

1. The Company has availed a term loan which secured by hypothecation of vehicles of ₹ 10,076,355 (previous year ₹ 8,221,586) at variable interest rates not exceeding interest rate of 11% (previous year : 11%).The same is repayable over a period of 5 years (previous year over a period of 5 years) on monthly basis.
2. The other long term debts of Nil represents loan taken for purchase of plant and machinery (previous year ₹ 7,613,064) at an interest ranging from 0% to 6.79% secured by hypothecation of gross block of plant and machinery of Nil (previous year ₹ 130,364,088).
3. Obligation under finance lease is secured by vehicle taken on lease.
4. The other long term debts of ₹ 38,474,125 represents loan taken for purchase of plant and machinery (previous year ₹ 47,818,429) at an interest ranging from 0% to 6.79% .The loan is repayable till March 2018.

2.4 Other long term Liabilities

| | As at | |
|----------------------------|--------------------|--------------------|
| | June 30, 2015 | June 30, 2014 |
| Deposit from customers | 46,780,000 | 46,780,000 |
| Income received in advance | 433,600,125 | 293,114,984 |
| | 480,380,125 | 339,894,984 |



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

2.5 Long term provisions

| | As at | |
|--|-------------------|-------------------|
| | June 30, 2015 | June 30, 2014 |
| Provision for employee benefits | | |
| Provision for gratuity (refer note 2.32) | 57,827,647 | 47,423,862 |
| Provision for other long term incentive | 543,189 | - |
| | 58,370,836 | 47,423,862 |

2.6 Trade payables and other current liabilities

| | As at | |
|---|----------------------|----------------------|
| | June 30, 2015 | June 30, 2014 |
| Trade Payables (refer note 2.31 for details of dues to micro and small enterprises) | 410,937,326 | 381,344,881 |
| Trade Payables - related parties (refer note 2.25(d)) | 31,564,794 | 14,977,809 |
| | 442,502,120 | 396,322,690 |
| Other current liabilities | | |
| Capital Accounts Payables | 40,269,169 | 22,188,650 |
| Capital Accounts payables-related parties (refer note 2.25(d)) | - | 44,356 |
| Current maturities of long term borrowings (refer note 2.3) | 17,095,160 | 55,590,467 |
| Interest accrued but not due on borrowings | - | 115,080 |
| Advance received from customers | 190,355,771 | 186,800,250 |
| Deposit from customers | 77,894,490 | 81,569,174 |
| Income received in advance | 719,560,856 | 1,042,531,101 |
| Income received in advance - related parties (refer note 2.25(d)) | 63,524,865 | 64,417,890 |
| Accrued salaries and benefits | | |
| Employee bonuses accrued | 63,557,684 | 49,284,529 |
| Other employee costs | 22,150,372 | 20,423,027 |
| Other liabilities | | |
| Liabilities for expenses | 532,604,962 | 530,673,906 |
| Liabilities for expenses - related parties (refer note 2.25(d)) | 75,149,755 | 52,389,031 |
| Supplier credit | 919,156,517 | 1,075,689,201 |
| Supplier credit-related party (refer note 2.25(d)) | - | 51,149,647 |
| Withholding and other taxes payable | 30,850,559 | 36,595,089 |
| Advance against sale of building (refer note 2.25(d)) | - | 720,000,000 |
| | 2,752,170,160 | 3,989,461,399 |

2.7 Short term provisions

| | As at | |
|--|-------------------|-------------------|
| | June 30, 2015 | June 30, 2014 |
| Provision for employee benefits | | |
| Provision for gratuity (refer note 2.32) | 9,327,367 | 9,432,213 |
| Provision for compensated absences | 37,469,383 | 30,423,251 |
| | 46,796,750 | 39,855,464 |



HCL Comnet Limited
Notes to Financial Statements for the year ended 30 June 2015
(All amounts in ₹ except share data and as stated otherwise)

2.8. Fixed Assets

| Particulars | Gross block | | | | Accumulated depreciation / amortization | | | | Net block | | |
|------------------------|----------------------|-------------------|--------------------|---------------------|---|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| | As at July 1, 2014 | Additions | Deletions | As at June 30, 2015 | As at July 1, 2014 | Change for the year | Deletions | As at June 30, 2015 | As at June 30, 2015 | As at June 30, 2014 | As at June 30, 2014 |
| Tangible Assets | | | | | | | | | | | |
| Leasehold land | 54,234,221 | - | 54,234,221 | - | 8,023,201 | 150,682 | 8,173,885 | - | - | - | 46,211,020 |
| Building | 146,999,134 | - | 146,999,134 | - | 63,676,355 | 1,389,423 | 65,065,779 | 432,808,797 | 35,920,311 | 6,772,147 | 83,322,779 |
| Plant and machinery | 1,180,182,926 | 32,960,309 | 744,414,126 | 468,729,109 | 1,173,410,779 | 3,812,145 | 744,414,126 | 46,277,492 | 14,367,351 | 15,828,599 | 15,828,599 |
| Office Equipment | 60,416,202 | 416,465 | 187,824 | 60,644,843 | 44,587,603 | 1,877,713 | 187,824 | 132,847,796 | 30,262,322 | 15,713,964 | 15,713,964 |
| Computers | 138,128,182 | 24,981,936 | - | 163,110,118 | 122,414,228 | 278,732 | 2,255,181 | 52,090,788 | 1,564,431 | 1,748,956 | 1,748,956 |
| Furniture and fittings | 55,816,193 | 94,207 | - | 53,655,219 | 54,067,237 | 1,945,499 | 4,047,294 | 7,474,424 | 5,405,987 | 5,496,718 | 5,496,718 |
| Vehicles - owned | 11,025,643 | 1,854,769 | - | 12,880,412 | 5,528,925 | 152,827 | 4,346,162 | 451,694 | 126,084 | 580,739 | 580,739 |
| Vehicles - leased | 4,926,901 | - | 4,349,123 | 577,778 | 4,346,162 | 20,040,588 | 824,144,090 | 671,950,991 | 87,646,486 | 175,674,911 | 175,674,911 |
| Total (A) | 1,651,729,402 | 60,307,685 | 952,439,610 | 759,597,478 | 1,476,054,490 | 20,040,588 | 824,144,090 | 671,950,991 | 87,646,486 | 175,674,911 | 175,674,911 |
| Intangible | | | | | | | | | | | |
| Software | 109,798,509 | 6,626,751 | 1,361,506 | 115,063,753 | 109,508,090 | 1,524,206 | 1,361,506 | 109,670,790 | 5,392,963 | 290,419 | 290,419 |
| Total (B) | 109,798,509 | 6,626,751 | 1,361,506 | 115,063,753 | 109,508,090 | 1,524,206 | 1,361,506 | 109,670,790 | 5,392,963 | 290,419 | 290,419 |
| Total (A)+(B) | 1,761,527,911 | 66,934,436 | 953,801,116 | 874,661,231 | 1,585,562,580 | 21,564,794 | 825,505,596 | 781,621,781 | 93,039,449 | 175,965,330 | 175,965,330 |

Based on technical evaluation, the Company reassessed and revised the useful lives of assets with effect from 01 July 2014.

The existing and revised useful lives are as below:

| Category of Assets | Existing Useful Life (Years) | Revised Useful Life (Years) |
|--|------------------------------|-----------------------------|
| Buildings | 20 | 20 |
| Plant and machinery (including air conditioners, electrical installations) | 4-5 | 10 |
| Office Equipments | 4 | 5 |
| Furniture and fixtures | 3 | 4-5 |
| Vehicles - owned | 4 | 7 |
| | 5 | 5 |

Had the Company continued with the previously assessed useful lives, charge for depreciation for the year ended June 30, 2015 would have been higher by ₹ 88.58 lacs for assets held at July 1, 2014.

| Particulars | Gross block | | | | Accumulated depreciation / amortization | | | | Net block | | |
|------------------------|----------------------|-------------------|------------------------|----------------------|---|---------------------|------------------------|----------------------|---------------------|---------------------|---------------------|
| | As at July 1, 2013 | Additions | Deletions/adjustments* | As at June 30, 2014 | As at July 1, 2013 | Change for the year | Deletions/adjustments* | As at June 30, 2014 | As at June 30, 2014 | As at June 30, 2013 | As at June 30, 2013 |
| Tangible Assets | | | | | | | | | | | |
| Leasehold land | 54,234,221 | - | - | 54,234,221 | 7,226,116 | 797,085 | - | 8,023,201 | 46,211,020 | 47,008,105 | 47,008,105 |
| Building | 147,028,995 | - | 29,861 | 146,999,134 | 56,941,427 | 7,351,057 | 16,129 | 63,676,355 | 83,322,779 | 90,687,568 | 90,687,568 |
| Plant and machinery | 1,189,602,669 | 394,862 | 9,814,605 | 1,180,182,926 | 1,160,141,960 | 16,025,172 | 2,756,352 | 1,173,410,779 | 6,772,147 | 29,460,709 | 29,460,709 |
| Office Equipment | 101,758,891 | 4,808,173 | 46,150,866 | 60,416,202 | 94,360,709 | 3,389,621 | 53,162,727 | 44,587,603 | 15,828,599 | 7,398,182 | 7,398,182 |
| Computers | 223,266,136 | 18,819,148 | 103,957,102 | 138,128,182 | 201,109,556 | 25,261,774 | 103,957,102 | 122,414,228 | 15,713,954 | 22,156,580 | 22,156,580 |
| Furniture and fittings | 66,126,767 | 642,599 | 10,953,173 | 55,816,193 | 63,409,410 | 1,611,000 | 10,953,173 | 54,067,237 | 1,748,956 | 2,717,357 | 2,717,357 |
| Vehicles - owned | 10,268,427 | 1,591,292 | - | 11,025,643 | 4,183,826 | 1,642,570 | 297,472 | 5,528,925 | 5,496,717 | 6,084,601 | 6,084,601 |
| Vehicles - leased | 5,303,317 | - | 376,416 | 4,926,901 | 3,880,027 | 825,869 | 359,734 | 4,346,162 | 580,739 | 1,423,290 | 1,423,290 |
| Total (A) | 1,797,589,423 | 26,256,079 | 172,116,099 | 1,651,729,402 | 1,590,653,031 | 56,904,108 | 171,502,689 | 1,476,054,490 | 175,674,911 | 206,936,392 | 206,936,392 |
| Intangible | | | | | | | | | | | |
| Software | 109,798,509 | - | - | 109,798,509 | 108,192,944 | 1,315,146 | - | 109,508,090 | 290,419 | 1,605,565 | 1,605,565 |
| Total (B) | 109,798,509 | - | - | 109,798,509 | 108,192,944 | 1,315,146 | - | 109,508,090 | 290,419 | 1,605,565 | 1,605,565 |
| Total (A)+(B) | 1,907,387,932 | 26,256,079 | 172,116,099 | 1,761,527,911 | 1,698,845,975 | 58,219,254 | 171,502,689 | 1,585,562,580 | 175,965,330 | 208,541,957 | 208,541,957 |

* Include gross block and accumulated depreciation of ₹ 163,286,628 (previous year ₹ Nil) and ₹ 163,226,504 (previous year ₹ Nil) respectively on accounts of assets discarded from active use.



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

2.9 Deferred tax assets (net)

| | As at | |
|---|--------------------|--------------------|
| | June 30, 2015 | June 30, 2014 |
| Deferred tax assets: | | |
| Accrued employee costs | 58,588,316 | 30,341,797 |
| Provision for doubtful debts and advances | 181,352,604 | 156,668,395 |
| Depreciation and amortization | 167,366,924 | 188,800,272 |
| Leased vehicles | - | 69,102 |
| Others | 18,460,934 | 25,901,721 |
| Gross deferred tax assets (A) | 425,768,778 | 401,781,287 |
| Deferred tax liabilities | | |
| Assets given on finance lease | 2,100,931 | 5,212,720 |
| Gross deferred tax liabilities (B) | 2,100,931 | 5,212,720 |
| Net deferred tax assets (A-B) | 423,667,847 | 396,568,567 |

2.10 Long term loans and advances

| | As at | |
|---|--------------------|----------------------|
| | June 30, 2015 | June 30, 2014 |
| Unsecured, considered good | | |
| Capital advances | 372,216 | - |
| Security deposits | 81,302,321 | 70,072,437 |
| Finance lease receivables | 312,790,584 | 319,133,311 |
| Advance fringe benefit tax (refer note 2 below) | 481,688 | 481,688 |
| Advance Income Tax (refer note 1 below) | 376,125,115 | 506,718,829 |
| Prepaid expenses | 222,805,522 | 257,789,106 |
| | 993,877,446 | 1,154,195,371 |
| Unsecured, considered doubtful | | |
| Loan and advances to others | 22,867,781 | 30,795,933 |
| Less: Provision for doubtful advances | (22,867,781) | (30,795,933) |
| | 993,877,446 | 1,154,195,371 |

Note 1: Net of Income tax provision of ₹ 1,126,273,751 (Previous year: ₹ 988,899,778)

Note 2: Net of fringe benefit advance tax ₹ 34,052,862 (Previous year ₹ 34,052,862)

2.11 Other non-current assets

| | As at | |
|--|--------------------|-------------------|
| | June 30, 2015 | June 30, 2014 |
| Unsecured considered good unless otherwise stated | | |
| Deferred cost | 101,226,656 | 75,804,687 |
| Bank deposit more than 12 months | 840,000 | 840,000 |
| | 102,066,656 | 76,644,687 |

Note: Pledged with banks as security for guarantees ₹ 8,40,000 (Previous year: ₹ 8,40,000)



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015
(All amounts in ₹ except share data and unless otherwise stated)

2.12 Current Investments

| Particulars | As at | |
|--|----------------------|--------------------|
| | June 30, 2015 | June 30, 2014 |
| Current investments- at cost | | |
| In fellow subsidiary company, trade (unquoted), fully paid up preference shares capital | | |
| 8,00,000 (previous year 8,00,000) 8% cumulative redeemable non-convertible preference share of Rs. 100 each in HCL Comnet System & Services Ltd. (refer note 2.25(c)) | 80,000,000 | 80,000,000 |
| Current investments (At lower of cost or fair value) (unquoted) | | |
| Investment in mutual fund (refer note below) | 1,132,648,339 | 500,005,047 |
| | 1,212,648,339 | 580,005,047 |

Details of Investments in mutual funds - Non trade and unquoted:-

| | Face Value | Balance as at June 30, 2015 | | Balance as at June 30, 2014 | |
|--------------------------------------|------------|-----------------------------|----------------------|-----------------------------|--------------------|
| | | Units | Amount | Units | Amount |
| Daily Dividend | | | | | |
| Birla Sunlife Cash Plus-Growth | 100 | 3,662,984 | 827,451,152 | - | - |
| UTI Liquid Fund-Cash Plan-Growth | 1000 | 32,561 | 75,197,187 | - | - |
| ICICI Prudential Liquid Fund -Growth | 100 | 1,093,560 | 230,000,000 | 2,597,855 | 500,005,047 |
| Total | | | 1,132,648,339 | | 500,005,047 |

2.13 Inventories

| | As at | |
|-------------------|--------------------|--------------------|
| | June 30, 2015 | June 30, 2014 |
| Stock in trade | 222,196,163 | 141,830,849 |
| Goods in transit | 12,092,311 | 13,385,251 |
| Stores and spares | 1,184,370 | 1,607,334 |
| | 235,472,844 | 156,823,434 |



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

2.14 Trade receivables (Unsecured)

| | As at | |
|---|----------------------|----------------------|
| | June 30, 2015 | June 30, 2014 |
| (a) Considered good unless stated otherwise outstanding for a period exceeding six months from the date they are due for payment | | |
| Unsecured, considered good | 540,601,044 | 187,918,402 |
| Unsecured, considered doubtful | 523,702,889 | 423,296,682 |
| | 1,064,303,933 | 611,215,084 |
| Provision for doubtful receivables | (523,702,889) | (423,296,682) |
| Total (A) | 540,601,044 | 187,918,402 |
| (b) Other receivables | | |
| Unsecured, considered good | 951,824,948 | 2,066,658,161 |
| Total (B) | 951,824,948 | 2,066,658,161 |
| Total (A)+(B) | 1,492,425,992 | 2,254,576,563 |

Note: Include receivable from related parties amounting to ₹ 289,556,155 (Previous year: ₹ 330,617,093) refer note 2.25(d).

2.15 Cash and bank balances

| | As at | |
|---|--------------------|--------------------|
| | June 30, 2015 | June 30, 2014 |
| (a) Cash and cash equivalents | | |
| Balance with banks | | |
| - in current accounts | 255,016,998 | 126,946,550 |
| Cheque in hand | 1,888,265 | 37,458,850 |
| Remittances in transit | - | 462,253 |
| Total (A) | 256,905,263 | 164,867,653 |
| (b) Other bank balances | | |
| Deposits with original maturity of more than 3 months but less than 12 months | 179,802,500 | 760,000,000 |
| Deposits with original maturity of more than 12 months | 840,000 | 840,000 |
| | 180,642,500 | 760,840,000 |
| Amount disclosed under other non-current assets (refer note 2.11) | (840,000) | (840,000) |
| Total (B) | 179,802,500 | 760,000,000 |
| Total (A+B) | 436,707,763 | 924,867,653 |



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

2.16 Short-term loans and advances

| | As at | |
|---|--------------------|--------------------|
| | June 30, 2015 | June 30, 2014 |
| Unsecured , considered good | | |
| Loan and advances to related party (refer note 2.25(d)) | 22,478,604 | 53,619,216 |
| Others | | |
| Security deposits | 11,529,580 | 6,098,637 |
| Intercorporate deposits with HDFC Limited | - | 70,000,000 |
| Finance lease receivables | 90,218,238 | 63,727,934 |
| Advance to suppliers | 28,585,963 | 8,679,870 |
| Prepaid expenses | 414,520,206 | 396,932,103 |
| Service tax receivable | 24,955,748 | 15,821,689 |
| Other loans and advances | 6,980,986 | 646,377 |
| | 599,269,324 | 615,525,826 |
| Unsecured , considered doubtful | | |
| Loans and advances to employees | 6,132,516 | 6,141,965 |
| Loans and advances to others | 1,245,068 | 1,245,068 |
| | 7,377,584 | 7,387,033 |
| Less: Provision for doubtful advances | (7,377,584) | (7,387,033) |
| | 599,269,324 | 615,525,826 |

2.17 Other current assets

| | As at | |
|--|--------------------|--------------------|
| | June 30, 2015 | June 30, 2014 |
| Unbilled revenue | 12,306,980 | 21,837,649 |
| Unbilled revenue-related parties (refer note-2.25(d)) | 89,699,978 | 50,379,337 |
| Deferred cost | 480,938,705 | 298,471,617 |
| Interest receivable | 1,358,900 | 17,455,449 |
| Interest receivable-related parties (refer note 2.25(d)) | 11,762 | 312,904 |
| | 584,316,325 | 388,456,956 |

2.18 Revenue from operations

| | Year ended | |
|-------------------------------|----------------------|----------------------|
| | June 30, 2015 | June 30, 2014 |
| Sale of hardware and software | 2,086,654,649 | 2,513,414,294 |
| Sale of services | 2,959,009,285 | 2,952,608,821 |
| | 5,045,663,934 | 5,466,023,115 |



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

2.19 Other Income

| | Year ended | |
|---|--------------------|--------------------|
| | June 30, 2015 | June 30, 2014 |
| Interest income | | |
| - On fixed deposits | 64,731,709 | 60,408,415 |
| - Others | 995,426 | 2,170,110 |
| Profit on sale of current investments | 27,250,935 | 73,832,253 |
| Provision no longer required written back | 7,937,601 | 5,575,853 |
| Profit on sale of fixed assets | 592,594,179 | 150,311 |
| Miscellaneous income | 36,044,271 | 32,547,339 |
| | 729,554,121 | 174,684,281 |

2.20 Changes in inventories of stock-in-trade

| | Year ended | |
|--|----------------------|----------------------|
| | June 30, 2015 | June 30, 2014 |
| Opening stock | 141,830,849 | 348,188,074 |
| Purchases of traded goods | 1,536,522,438 | 1,480,387,290 |
| Less: Stock transferred from deferred cost | 207,889,057 | 221,453,816 |
| Less: Closing stock | 222,196,163 | 141,830,849 |
| | 1,664,046,181 | 1,908,198,331 |

2.21 Employee benefit expenses

| | Year ended | |
|--|----------------------|----------------------|
| | June 30, 2015 | June 30, 2014 |
| Salaries, wages and bonus | 1,282,293,442 | 1,089,966,718 |
| Gratuity | 16,603,635 | 10,147,140 |
| Contribution to provident fund and other funds | 45,775,216 | 39,817,292 |
| Staff welfare expenses | 20,871,431 | 19,726,329 |
| | 1,365,543,724 | 1,159,657,479 |

2.22 Finance cost

| | Year ended | |
|--------------------|-------------------|--------------------|
| | June 30, 2015 | June 30, 2014 |
| Interest | | |
| -on loan from bank | 1,434,690 | 927,877 |
| -on leased assets | 14,780 | 87,087 |
| -others | 70,131,748 | 97,816,561 |
| Bank charges | 11,545,464 | 14,682,112 |
| | 83,126,682 | 113,513,637 |



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

2.23 Other expenses

| | Year ended | |
|---|----------------------|----------------------|
| | June 30, 2015 | June 30, 2014 |
| Rent | 80,377,258 | 80,271,378 |
| Power and fuel | 20,145,654 | 9,266,560 |
| Insurance | 1,878,701 | 3,857,163 |
| Cost of network installation, software and other services | 1,343,034,245 | 1,394,837,809 |
| Repairs and maintenance | | |
| - Plant and machinery | 5,830,295 | 20,038,648 |
| - Buildings | 12,250,908 | 14,477,409 |
| - Others | 47,657,309 | 39,886,388 |
| Communication costs | 52,321,007 | 45,886,615 |
| Books and periodicals | 733,876 | 1,012,978 |
| Travel and conveyance | 178,705,226 | 134,089,893 |
| Freight and forwarding charges | 73,664,282 | 65,378,798 |
| Business promotion | 13,141,897 | 13,873,553 |
| Legal and professional charges (refer note 2.35) | 23,402,460 | 20,685,859 |
| Software license fee | 45,510,729 | 59,068,692 |
| Printing and stationery | 6,745,825 | 6,909,505 |
| Rates and taxes | 10,956,411 | 14,054,986 |
| Loans and advances written off | 2,273,273 | - |
| Recruitment, training and development | 16,695,099 | 9,696,756 |
| Provision for doubtful debts / bad debt written off | 100,014,901 | 202,569,371 |
| Provision for doubtful advances | - | 4,786,530 |
| Exchange differences (net) | 23,369,325 | 8,436,789 |
| Miscellaneous expenses | 5,410,109 | 5,253,272 |
| | 2,064,118,790 | 2,154,338,953 |

2.24 Leases

i) Operating Leases

The Company leases office spaces and accommodation for its employees under operating lease agreements. The lease rental expense relating to real estate recognised in the statement of profit and loss for the year is ₹ 79,465,471 (previous year ₹ 78,188,453). The escalation amount of operating lease payable in future years and accounted for by the company is ₹ 9,612,830 (previous year ₹ 8,701,043). Future minimum lease payments and payment profile of non-cancellable operating leases are ₹ 157,372,528 (previous year ₹ 41,011,916)

| | Year ended | |
|--|--------------------|-------------------|
| | June 30, 2015 | June 30, 2014 |
| Not Later than one year | 59,246,544 | 10,070,250 |
| Later than one year and not later than five year | 98,125,984 | 30,941,666 |
| | 157,372,528 | 41,011,916 |



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

ii) Finance Leases: In case of assets given on lease

The Company has given networking equipment to its customers on finance lease basis. The total minimum lease payment receivables and maturity profile of finance leases at the Balance Sheet date, element of interest included in such receipts, and present value of minimum lease payment receivable are as follows:

| | Total Minimum Lease payment outstanding | Interest included in minimum lease payments | Present value of minimum lease payment |
|--|---|---|--|
| Not Later than one year | 115,999,026 (98,378,044) | 25,780,788 (34,650,110) | 90,218,238 (63,727,934) |
| Later than one year and not later than five year | 220,087,663 (319,807,213) | 38,677,690 (70,291,788) | 181,409,974 (249,515,425) |
| Later than five year | 160,077,491 (74,023,996) | 28,696,880 (4,406,110) | 131,380,610 (69,617,886) |
| | 496,164,180 (492,209,253) | 93,155,358 (109,348,008) | 403,008,822 (382,861,245) |

Previous year figures are in brackets.



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

2.25 Related party transactions

a) Related parties where control exists

HCL Technologies Limited, Holding company

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

Holding company

HCL Technologies Limited

Fellow subsidiaries

HCL America Inc., USA

HCL Great Britain Limited, UK

HCL GmbH

HCL Belgium NV

HCL Poland SP.Z O.O.

HCL Singapore Pte Limited

HCL Australia Ser Pty Ltd

HCL (Brazil) Tecnologia da informacao Ltda.

HCL Axon Solutions (Shanghai) Co. Ltd.

HCL Axon (Pty) Limited

HCL Global processing services Limited

HCL Axon Technologies Inc.

HCL Comnet systems & services Limited

HCL Technologies solutions Limited

Others (significant influence)

HCL Infosystems Limited

Redington (India) Limited

HCL TalentCare Pvt. Ltd.

Shiv Nadar Foundation

HCL Services Limited

Cadensworth (India) Limited, India

Ensure Support Services (India) Limited

Statstreet HCL Services (India) Private Limited



HCL Connet Limited
Notes to financial statements for the year ended June 30, 2015
(All amounts in ₹)

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

| Particulars | Revenues | | Outsourcing costs | | Purchase of capital equipment | | Other expenses | | Interest on Supplier credit | |
|---|---------------------|---------------------|---------------------|---------------------|-------------------------------|---------------------|---------------------|---------------------|-----------------------------|---------------------|
| | Year ended June 30, | Year ended June 30, | Year ended June 30, | Year ended June 30, | Year ended June 30, | Year ended June 30, | Year ended June 30, | Year ended June 30, | Year ended June 30, | Year ended June 30, |
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Holding Company | 397,417,978 | 416,564,934 | - | 1,921,175 | - | - | - | 5,132,747 | - | - |
| HCL Technologies Limited | 397,417,978 | 416,564,934 | - | 1,921,175 | - | - | - | 5,132,747 | - | - |
| Total (A) | | | | | | | | | | |
| Fellow Subsidiaries | | | | | | | | | | |
| HCL America Inc. | - | 47,118,008 | 311,047 | 8,163,657 | - | - | - | - | - | - |
| HCL Great Britain Limited | - | 27,489,744 | 23,938,056 | 16,904,932 | - | - | - | - | - | - |
| HCL Singapore Pte Limited | - | 1,987,127 | 456,023 | 73,772 | - | - | - | - | - | - |
| HCL Sweden AB | - | 3,439,235 | - | - | - | - | - | - | - | - |
| HCL POLAND SPZ O.O. | - | - | 5,767,012 | - | - | - | - | - | - | - |
| HCL GMBH | - | - | 1,786,374 | - | - | - | - | - | - | - |
| Other | 11,097,227 | 39,608,223 | 1,651,278 | 9,535,541 | - | - | - | - | - | - |
| Total (B) | 11,097,227 | 119,642,336 | 33,909,790 | 34,677,902 | - | - | - | - | - | - |
| Others (Significant Influences) | | | | | | | | | | |
| HCL Infosystems Limited | 69,303,407 | 155,401,647 | - | - | - | 59,625 | 6,869,818 | 12,283,201 | 204,432 | - |
| HCL Infotech Ltd. | - | - | - | - | - | 73,374 | - | - | - | - |
| Redington (India) Limited | - | - | - | - | - | - | 53,609,962 | 46,525,979 | 17,157,027 | - |
| Digitlife Distribution & Marketing Services Limited | - | - | - | - | - | - | - | - | - | - |
| Shiv Nadar Foundation | 6,361 | 351,047 | 12,677,057 | - | - | - | - | - | - | - |
| HCL TalentCare Pvt. Ltd | - | - | 480,539 | - | - | - | 2,170,027 | 2,026,353 | 1,510,107 | - |
| Others | - | - | - | - | - | - | - | - | - | - |
| Total (C) | 69,309,768 | 155,752,694 | 13,157,596 | - | - | 132,999 | 62,649,807 | 60,835,533 | 18,871,566 | - |
| Jointly Controlled entities | | | | | | | | | | |
| Statestreet HCL Services (India) Private Limited | - | 2,462,234 | - | - | - | - | - | - | - | - |
| Total (D) | 477,824,973 | 694,422,198 | 47,067,386 | 36,599,077 | - | 132,999 | 62,649,807 | 65,968,280 | 18,871,566 | - |
| Total (A+B+C+D) | | | | | | | | | | |



HCL Comnet Limited
Notes to financial statements for the year ended June 30, 2015
(All amounts in ₹)

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

| Particulars | Payment for use of facilities | | Receipt for use of facilities | | Interest Income | | Other Income | | Reimbursement of expenses | |
|--|-------------------------------|-----------|-------------------------------|------------|--------------------------|-----------|--------------------------|--------------------------|---------------------------|--------------------------|
| | Year ended June 30, 2015 | 2014 | Year ended June 30, 2015 | 2014 | Year ended June 30, 2015 | 2014 | Year ended June 30, 2015 | Year ended June 30, 2014 | 2015 | Year ended June 30, 2014 |
| | | | | | | | | | | |
| Holding Company | 630,457 | 3,337,716 | 2,233,333 | 12,000,000 | - | - | - | - | - | 37,009,636 |
| HCL Technologies Limited | 630,457 | 3,337,716 | 2,233,333 | 12,000,000 | - | - | - | - | - | 37,009,636 |
| Total (A) | | | | | | | | | | |
| Fellow Subsidiaries | | | | | | | | | | |
| HCL Comnet System & Services Limited | - | - | - | 1,741,568 | 802,110 | 1,951,890 | - | - | - | - |
| HCL Technologies Solution Limited | - | - | - | 2,273,040 | 193,316 | 218,220 | - | - | - | - |
| HCL Global processing services Limited | - | - | 2,439,360 | 4,014,608 | 995,426 | 2,170,110 | - | - | - | 826,200 |
| Total (B) | | | | | | | | | | |
| Others (Significant influences) | | | | | | | | | | |
| HCL Infosystems Limited | 176,803 | - | - | - | - | - | - | - | - | - |
| Redington (India) Limited | 483,600 | - | - | - | - | - | - | - | - | - |
| Others | 473,185 | - | - | - | - | - | - | - | - | - |
| Total (C) | 1,133,588 | - | - | - | 995,426 | 2,170,110 | - | - | - | 826,200 |
| Total (A+B+C) | 1,764,045 | 3,337,716 | 4,672,693 | 16,014,608 | 995,426 | 2,170,110 | - | 50,955,596 | - | 37,835,836 |

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

| Particulars | Loans given | | Repayment of loan taken | | Sale of Capital Equipment | | Investment made during the year | | Gain on sale of building | |
|---|--------------------------|------------|--------------------------|---------------|---------------------------|---------|---------------------------------|--------------------------|--------------------------|--------------------------|
| | Year ended June 30, 2015 | 2014 | Year ended June 30, 2015 | 2014 | Year ended June 30, 2015 | 2014 | Year ended June 30, 2015 | Year ended June 30, 2015 | 2014 | Year ended June 30, 2014 |
| | | | | | | | | | | |
| Holding Company | - | - | - | - | - | 842,510 | - | - | - | - |
| HCL Technologies Limited | - | - | - | 4,128,451,774 | - | 842,510 | - | - | - | - |
| Total | | | | | | | | | | |
| Fellow Subsidiaries | | | | | | | | | | |
| HCL Technologies Solution Limited | - | 7,000,000 | - | - | - | - | - | - | - | - |
| HCL Comnet System & Services Limited | 500,000 | 40,000,000 | - | - | - | - | - | 80,000,000 | - | - |
| Total (B) | 500,000 | 47,000,000 | - | - | - | - | - | 80,000,000 | - | - |
| Others (Significant influences) | | | | | | | | | | |
| SSN Investments (Pondy) Private Limited | - | - | - | - | - | - | - | - | - | 592,006,305 |
| Total (C) | - | - | - | - | - | - | - | - | - | 592,006,305 |
| Total (A+B) | 500,000 | 47,000,000 | - | 4,128,451,774 | - | 842,510 | - | 80,000,000 | - | 592,006,305 |



HCL Comnet Limited
Notes to financial statements for the year ended June 30, 2015
(All amounts in ₹)

d) Outstanding balances with related parties

| Particulars | Trade receivables | | Trade payables | | Income received in advance | | Unbilled revenue | | Prepaid expenses | |
|--|-------------------|-------------|----------------|------------|----------------------------|------------|------------------|------------|------------------|---------|
| | As at June 30, | | As at June 30, | | As at June 30, | | As at June 30, | | As at June 30, | |
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Holding Company | | | | | | | | | | |
| HCL Technologies Limited | 251,692,902 | 149,384,281 | 22,040,510 | 5,872,314 | 48,672,558 | 56,755,503 | 72,693,297 | 46,520,785 | - | - |
| Total (A) | 251,692,902 | 149,384,281 | 22,040,510 | 5,872,314 | 48,672,558 | 56,755,503 | 72,693,297 | 46,520,785 | - | - |
| Fellow Subsidiaries | | | | | | | | | | |
| HCL America Inc. | - | - | 5,175,568 | 661,579 | - | - | - | - | - | - |
| HCL Great Britain Limited | - | - | - | 1,385,025 | - | - | - | - | - | - |
| HCL Singapore pte Limited | - | 219,387 | - | 73,772 | - | - | - | - | - | - |
| HCL Comnet System & Services Limited | 12,388,760 | 7,568,073 | 247,767 | 7,017,139 | - | 96,895 | 17,006,681 | 3,858,552 | - | - |
| HCL Technologies Denmark ApS | 13,139,854 | - | 4,100,949 | - | - | - | - | - | - | - |
| HCL Saudi Arabia LLC | 319,946 | 8,805,834 | - | - | - | - | - | - | - | - |
| Others | 25,848,560 | 16,595,294 | 9,524,284 | 9,087,514 | - | 96,895 | 17,006,681 | 3,858,552 | - | - |
| Total (B) | | | | | | | | | | |
| Others (Significant influence) | | | | | | | | | | |
| HCL Infosystems Limited | - | 155,647,140 | - | 17,981 | 7,428,892 | - | - | - | 536,827 | - |
| Shiv Nadar Foundation | 11,327 | 11,327 | - | - | - | 10,055 | - | - | - | 35,510 |
| Others | 11,327 | 155,658,467 | - | 17,981 | 7,428,892 | 10,055 | - | - | - | 572,137 |
| Total (C) | | | | | | | | | | |
| Jointly Controlled entities | | | | | | | | | | |
| Statestreet HCL Services (India) Private Limited | 12,003,367 | 8,981,051 | - | - | - | 7,565,492 | - | - | - | - |
| Total (D) | 12,003,367 | 8,981,051 | - | - | - | 7,565,492 | - | - | - | - |
| Total (A+B+C+D) | 289,556,156 | 330,617,093 | 31,564,794 | 14,977,809 | 63,524,865 | 64,427,945 | 89,699,978 | 50,379,337 | 572,137 | - |



HCL Connet Limited
Notes to financial statements for the year ended June 30, 2015
(All amounts in ₹)

d) Outstanding balances with related parties

| Particulars | Loans and advances | | Interest receivable | | Liability for expenses | |
|--|--------------------|-------------------|---------------------|----------------|------------------------|-------------------|
| | As at June 30, | | As at June 30, | | As at June 30, | |
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Holding Company | | | | | | |
| HCL Technologies Limited | 1,836,901 | 5,163,288 | - | - | 48,492,535 | 45,748,913 |
| Total (A) | 1,836,901 | 5,163,288 | - | - | 48,492,535 | 45,748,913 |
| fellow Subsidiaries | | | | | | |
| HCL America Inc. | 5,040 | 5,040 | - | - | 270,730 | 661,579 |
| HCL Great Britain Limited | - | - | - | - | 5,485,396 | 1,335,025 |
| HCL Connet System & Services Limited | 17,827,415 | 40,113,374 | 11,762 | 266,301 | - | - |
| HCL Technologies Solution Limited | 7,000,000 | 7,000,000 | - | 46,603 | - | - |
| HCL Global processing services Limited | 1,847,980 | 917,295 | - | - | 2,999,681 | - |
| HCL POLAND SP.Z O.O. | - | - | - | - | 3,108,377 | - |
| Others | 461,287 | 420,220 | - | - | - | - |
| Total (B) | 20,141,702 | 48,455,929 | 11,762 | 312,904 | 11,864,184 | 1,996,604 |
| Others (Significant influence) | | | | | | |
| HCL Infosystems Limited | - | - | - | - | 10,708,157 | 4,643,514 |
| HCL TalentCare Pvt. Ltd | - | - | - | - | 4,069,915 | - |
| Others | - | - | - | - | 14,965 | - |
| Total (C) | - | - | - | - | 14,793,037 | 4,643,514 |
| Total (A+B+C) | 21,978,603 | 53,619,216 | 11,762 | 312,904 | 75,149,754 | 52,389,031 |

d) Outstanding balances with related parties

| Particulars | Capital accounts payable | | Supplier credit | | Advance against sale of Building | |
|--|--------------------------|---------------|-----------------|-------------------|----------------------------------|--------------------|
| | As at June 30, | | As at June 30, | | As at June 30, | |
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Others (Significant influence) | | | | | | |
| HCL Infosystems Limited | - | 44,356 | - | 6,893,250 | - | 720,000,000 |
| SSN Investments Pondi Private limited | - | - | - | 44,256,397 | - | - |
| Digilife Distribution & Marketing Services Limited | - | - | - | 51,149,647 | - | 720,000,000 |
| Total (A) | - | 44,356 | - | 51,149,647 | - | 720,000,000 |



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

2.26 Commitments and contingent liabilities

(a)

| | As at | |
|---|-------------------|------------------|
| | June 30, 2015 | June 30, 2014 |
| i) Capital and other commitments | | |
| Estimated amount of unexecuted capital contracts (Net of advances) | 69,736,592 | 3,148,513 |
| | - | - |
| | 69,736,592 | 3,148,513 |
| ii) Contingent Liabilities | - | - |
| | - | - |

- (b) The Company has a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company appoints independent consultants for conducting a Transfer Pricing Study to determine whether the transactions with associated enterprises are undertaken, during the financial year, on an "arms length basis". Adjustments, if any, arising from the transfer pricing study in the respective jurisdictions are accounted for as and when the study is completed for the current financial year. However the management is of the opinion that its international transactions are at arms' length so that the aforesaid legislation will not have any impact on the financial statements.

2.27 Segment reporting

In the opinion of the management, networking solutions is the only business segment of the Company and the Company majorly operates in a single geographical segment and hence there are no reportable segments as envisaged in Accounting Standard (AS)-17 'Segment Reporting' notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules. Accordingly, no disclosures for segmental reporting have been included in the financial statements.

- 2.28 HCL Technologies Limited has issued employee stock options to the employees of the Company. The cost incurred by the holding company for issuing such options is ₹ 1,292,357 (Previous year ₹ 5,664,035).
- 2.29 As of balance sheet date, the Company's net foreign currency exposure that is not hedged is ₹ 595,232,423 (Previous year ₹ 572,969,889).



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

2.30 Movement in provision for warranty is as follows:

| | Year ended | |
|--|---------------|---------------|
| | June 30, 2015 | June 30, 2014 |
| Balance at the beginning of the year | - | 5,575,853 |
| Additional provision during the year | - | - |
| Reduction due to utilization and write back of excess provision* | - | (5,575,853) |
| Closing provision | - | - |

*calculated on estimated basis

2.31 Micro and Small Enterprises

As per information available with the management, the dues payable to enterprises covered under "The Micro, Small and Medium Enterprises Development Act, 2006" are as follows:

| | For the year ended June 30, 2015 | | For the year ended June 30, 2014 | |
|--|----------------------------------|----------|----------------------------------|----------|
| | Principal | Interest | Principal | Interest |
| Amount due to vendor | 603,206 | 6,805 | 1,079,190 | 18,005 |
| Principal amount beyond the appointed date | - | - | - | - |
| Interest under normal credit terms:- | | | | |
| Accrued and unpaid during the year | - | 6,805 | - | 18,005 |
| Total Interest payable :- | | | | |
| Accrued and unpaid during the year | - | - | - | - |

This has been determined on the basis of responses received from vendors on specific confirmation sought by the Company in this regard.

2.32 Employee Benefit Plans

The Company has calculated the various benefits provided to employees as under

A. Defined Contribution Plans and State Plans

During the year the Company has recognized the following amounts in the statement of profit and loss:-

| | Year ended | |
|---|-------------------|-------------------|
| | June 30, 2015 | June 30, 2014 |
| Employer's contribution to Employee's state insurance | 4,493,858 | 4,293,696 |
| Employer's contribution to Employee's pension scheme | 21,905,286 | 14,607,181 |
| | 26,399,144 | 18,900,877 |



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

B. Defined Benefit Plans

- a) Gratuity
- b) Employers Contribution to Provident Fund

Gratuity

The Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following table set out the status of the gratuity plan as required under AS 15 (Revised):

Statement of Profit and Loss

Net employee benefit expense (recognised in Employee Cost)

| | Year ended | |
|---|-------------------|-------------------|
| | June 30, 2015 | June 30, 2014 |
| Current service cost | 11,475,019 | 13,142,864 |
| Interest cost on benefit obligation | 5,543,129 | 5,539,518 |
| Expected return on plan assets | - | - |
| Net actuarial loss recognized in the year | (414,514) | (8,535,242) |
| Past service cost | - | - |
| Net benefit expense | 16,603,634 | 10,147,140 |

Balance Sheet

Details of provision for gratuity

| | Year ended | |
|--------------------------------------|-------------------|-------------------|
| | June 30, 2015 | June 30, 2014 |
| Defined benefit obligations | 67,155,014 | 56,856,075 |
| Fair value of plan assets | - | - |
| | 67,155,014 | 56,856,075 |
| Less: unrecognized past service cost | - | - |
| Plan liability | 67,155,014 | 56,856,075 |

Changes in present value of the defined benefit obligation are as follows:

| | Year ended | |
|---|-------------------|-------------------|
| | June 30, 2015 | June 30, 2014 |
| Opening defined benefit obligation | 56,856,075 | 66,838,242 |
| Current service cost | 11,475,019 | 13,142,864 |
| Interest cost | 5,543,129 | 5,539,518 |
| Actuarial loss on obligation | (414,514) | (8,535,242) |
| Benefits paid | (6,304,695) | (20,129,307) |
| Closing defined benefit obligation | 67,155,014 | 56,856,075 |



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

The principal assumptions used in determining gratuity for the Company's plans are shown below:

| | Year ended | |
|------------------------------------|---------------|---------------|
| | June 30, 2015 | June 30, 2014 |
| Discount rate | 8.05% | 8.80% |
| Estimated rate of salary increases | 7% | 7% |
| Employee turnover | 18% | 18% |
| Expected rate of return on assets | NA | NA |

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, Seniority, promotion and other relevant factors, such as supply and demand in the employment market

The following table set out the experience adjustment to plan liabilities as required under AS-15 (Revised):

| | Year ended | | | | |
|---|---------------|---------------|---------------|---------------|---------------|
| | June 30, 2015 | June 30, 2014 | June 30, 2013 | June 30, 2012 | June 30, 2011 |
| Defined benefit obligations | 67,155,014 | 56,856,075 | 66,838,242 | 57,128,324 | 39,701,843 |
| Experience adjustment on plan liabilities | (2,934,422) | (4,455,301) | 219,227 | 6,261,385 | (7,782,751) |

Employers Contribution to Provident Fund

The Company contributes to HCL Comnet System & Services Limited and HCL Comnet Limited Employee Trust which is maintained jointly by HCL Comnet Systems & Services Limited, fellow subsidiary and HCL Comnet Limited. The disclosures of plan assets cannot be provided as the plan asset are not attributable to the Company only. The actuary has provided a valuation and there is no shortfall as at June 30, 2015.

Assumptions used in determining the present value obligation of interest rate guarantee under the Deterministic Approach

| | Year ended | |
|--------------------------------------|---------------|---------------|
| | June 30, 2015 | June 30, 2014 |
| Government of India (GOI) bond yield | 9.71% | 9.88% |
| Remaining term of maturity | 7.5 years | 8.57 years |
| Expected guaranteed interest rate | 8.75 | 8.75% |

During the year ended June 30, 2015, the Company has contributed ₹ 19,307,422 (Previous year ₹ 20,822,956) towards Employers' contribution to the Provident Fund.



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

2.33 Particulars of purchases, sales and closing stock of trading goods:

| ITEMS | Opening Stock | Purchases | Sales | Closing Stock |
|---|------------------------------|----------------------------------|----------------------------------|------------------------------|
| | Value (₹) | Value (₹) | Value (₹) | Value (₹) |
| SATELITE COMMUNICATION EQUIPMENT | | | | |
| Basic VSAT Equipment | 1,354,334 (5,141,669) | 17,904,368 (4,400,966) | | 1,257,079 (1,354,334) |
| Antenna | 4,025,393 (361,059) | 9,815,669 (8,942,800) | 76,252,829 (23,711,254) | 1,920,473 (4,025,393) |
| Others | 1,045,471 (2,388,582) | 21,575,851 (8,035,672) | | 1,140,546 (1,045,471) |
| DATA COMMUNICATION EQUIPMENT | | | | |
| Router | 9,039,156 (27,675,184) | 157,502,985 (193,894,009) | | 7,232,542 (9,039,156) |
| Others | 29,545,765 (146,941,104) | 306,984,203 (612,572,514) | 1,235,177,873 (1,327,690,508) | 39,881,905 (29,545,765) |
| CCO | 65,518,608 (70,984,269) | 404,321,090 (145,761,143) | | 53,900,412 (65,518,608) |
| OTHERS | 31,302,121 (94,696,207) | 618,418,273 (506,780,186) | 775,223,947 (1,162,012,532) | 116,863,205 (31,302,121) |
| TOTAL | 141,830,849 (348,188,074) | 1,536,522,438 (1,480,387,290) | 2,086,654,649 (2,513,414,294) | 222,196,163 (141,830,849) |

Note: Previous year figure are given in brackets.



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015

(All amounts in ₹ except share data and unless otherwise stated)

2.34 CIF value of imports

| | Year ended | |
|---------------|--------------------|--------------------|
| | June 30, 2015 | June 30, 2014 |
| Capital goods | 36,366,908 | 14,580,545 |
| Trading Goods | 269,761,608 | 577,313,633 |
| | 306,128,516 | 591,894,178 |

2.35 Auditors' remuneration *

| | Year ended | |
|-----------------|------------------|------------------|
| | June 30, 2015 | June 30, 2014 |
| As auditor's | | |
| Statutory audit | 1,760,000 | 1,760,000 |
| Tax Audit Fees | 200,000 | 200,000 |
| | 1,960,000 | 1,960,000 |

*excluding service tax

2.36 Expenditure in foreign currency (on accrual basis)

| | Year ended | |
|--|--------------------|--------------------|
| | June 30, 2015 | June 30, 2014 |
| Cost of network installation, software services and other services | | |
| Annual maintenance contracts | 328,752,623 | 345,884,448 |
| Consulting charges | 33,909,790 | 36,599,077 |
| Other project cost | 31,568,509 | 16,984,312 |
| Travel and Conveyance | 4,518,190 | 7,375,779 |
| Cost of goods sold | 46,500,578 | 39,267,165 |
| Others | 11,644,497 | 4,963,015 |
| | 456,894,187 | 451,073,795 |

2.37 Earnings in foreign currency (on accrual basis)

| | Year ended | |
|------------------|------------------|--------------------|
| | June 30, 2015 | June 30, 2014 |
| Sale of Material | 307,256 | 1,003,759 |
| Service Income | 1,483,571 | 134,098,080 |
| | 1,790,827 | 135,101,838 |



HCL Comnet Limited

Notes to financial statements for the year ended June 30, 2015
(All amounts in ₹ except share data and unless otherwise stated)

2.38 Previous year comparatives

The previous year's figures have been re-classified/re-grouped to conform to current year's classification.

As per our report of even date

For S. R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W
Chartered Accountants

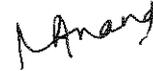


Per **Yogesh Midha**
Partner
Membership Number: 94941

For HCL Comnet Limited



Prahlad Rai Bansal
Director



Manish Anand
Director

Gurgaon, India
Date: September 29, 2015

Noida (UP), India
29/9/2015



Additional documents in regard to the Scheme of Arrangement

1. Clarification as to what will be listing status of the Transferee Company.
There will be no change in the status of the Transferee Company i.e. HCL Comnet Limited. It will remain "Unlisted".
2. Details of Assets and Liabilities of the Demerged division that are being transferred.
Enclosed as Annexure- (a).
3. Confirmation from the Company Secretary, that:
 - a) There will be no change in Share Capital of the resulting/transferee company till the listing of the equity shares of the company on BSE Limited.
 - b) The shares allotted by the resulting company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.**The above mentioned points are not applicable, as there is no issuance of shares.**
4. Confirmation by the Company Secretary of the transferee company on the letter head of resulting company that:
 - a) Equity shares issued by the company pursuant to the scheme of amalgamation/ arrangement shall be listed on the BSE Limited, subject to SEBI granting relaxation from applicability under Rule 19(2) (b) of the Securities Contract (Regulation) Rules, 1957. **Not Applicable**
 - c) The company shall comply with all the provisions contained in SEBI circular no. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013. **Enclosed as Annexure- (b)**
 - d) The company shall also fulfill the Exchange's criteria for listing and shall also comply with Rules, Byelaws, and Regulations of the Exchange and other applicable statutory requirements. **Not Applicable**
5. Percentage of Net Worth of the company, that is being transferred in the form of demerged undertaking and percentage wise contribution of the Demerged division to the total turnover and income of the company in the **last two years** as per the following format:

(Rs. in crores)

| | Financial Year | Net-worth | % to total | Turnover | % to total | Profit after Tax | % to total |
|-------------------|----------------|-----------|------------|----------|------------|------------------|------------|
| Demerged division | 2014-15 | 132 | 0.7% | 345 | 2.0% | 54 | 0.8% |
| | 2013-14 | 32 | 0.2% | 426 | 2.6% | (41) | -0.7% |
| Other divisions | 2014-15 | 19,274 | 99.3% | 16,809 | 98.0% | 6,292 | 99.2% |
| | 2013-14 | 15,714 | 99.8% | 16,072 | 97.4% | 6,025 | 100.7% |
| Total | 2014-15 | 19,406 | 100.0% | 17,153 | 100.0% | 6,346 | 100.0% |
| | 2013-14 | 15,746 | 100.0% | 16,497 | 100.0% | 5,985 | 100.0% |

Date: October 30, 2015

Place: Noida (U.P.)



For HCL Technologies Limited

Manish Anand
Manish Anand
Company Secretary

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HCL

HCL Technologies Limited
(All amounts in crores of ₹)

ISIB Business

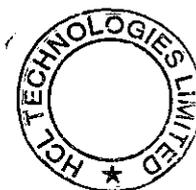
As at
30 June 2015

I. EQUITY AND LIABILITIES

| | |
|---|---------------------------|
| (1) Shareholders' funds | |
| (a) Share capital | - |
| (b) Reserves and surplus | - |
| | <hr/> |
| | - |
| (2) Share application money pending allotment | - |
| (3) Non - current liabilities | |
| (a) Long-term borrowings | 0.39 |
| (b) Other long-term liabilities | 0.01 |
| (c) Long term provisions | 2.46 |
| | <hr/> |
| | 2.86 |
| (4) Current liabilities | |
| (a) Short term borrowings | - |
| (b) Trade payables | 19.41 |
| (c) Other current liabilities | 359.14 |
| (d) Short term provisions | - |
| | <hr/> |
| | 378.55 |
| TOTAL | <hr/> 381.41 <hr/> |

II. ASSETS

| | |
|--|---------------------------|
| (1) Non-current assets | |
| (a) Fixed Assets | |
| (i) Tangible assets | 0.70 |
| (ii) Intangible assets | - |
| (iii) Capital work in progress | - |
| | <hr/> |
| | 0.70 |
| (b) Non-current investments | - |
| (c) Deferred tax assets (net) | - |
| (d) Long term loans and advances | 1.16 |
| (e) Other non-current assets | - |
| | <hr/> |
| | 1.86 |
| (2) Current Assets | |
| (a) Current investments | - |
| (b) Inventories | 71.36 |
| (c) Trade receivables | 342.99 |
| (d) Cash and bank balances | - |
| (e) Short - term loans and advances | 3.53 |
| (f) Other current assets* | 93.67 |
| | <hr/> |
| | 511.55 |
| TOTAL | <hr/> 513.41 <hr/> |
| Net Result (Assets - Liabilities) | <hr/> 132.00 <hr/> |



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Mnand

HCL COMNET LTD.

(A subsidiary of HCL TECHNOLOGIES LTD.)

Corporate Identity Number: U74899DL2001PLC111951

A-10/11, Sector 3, NOIDA 201 301, UP., India

T: +91 120 4362800 F: +91 120 2539799

Registered Office: 806 Siddharth, 96, Nehru Place, New Delhi-110019, India

www.hclcomnet.co.in

www.hclisd.com

Annexure- (b)

To,
The General Manager,
Department of Corporate Services,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001.

Sub: Application under Clause 24(f) of the listing agreement for the proposed scheme of Arrangement between HCL Technologies Limited and its wholly owned subsidiary HCL Comnet Limited

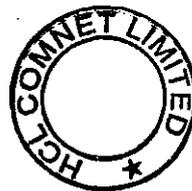
Dear Sir,

This is in regard to the captioned application, we hereby confirm that the Company shall comply with all the provisions contained in SEBI circular no. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013.

Date: October 30, 2015

Place: Noida (U.P.)

For HCL Comnet Limited



Manish Anand
Manish Anand
Director

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HCL

By the order of
HCL TECHNOLOGIES LTD
 A-10/11,SECTOR-3,NOIDA
 UP-201301

28 OCT 2015
 Customer Reference:
 SCB Reference:
 Delivery Method:
 Payment Summary:

Page 1 of 1
 1700026852
 IN02607Q0355008
 Pickup by Payee

BOMBAY STOCK EXCHANGE LIMITED

MUMBAI MAH IN
 MUMBAI INDIA 201301
 /INDIA

| | | |
|------------------------|------|------------|
| Gross Amount | | 114,000.00 |
| Remitting Bank Charges | less | 0.00 |
| Net Amount | | 114,000.00 |
| Discount | less | 0.00 |

Dear Sir/Madam,

Standard Chartered Bank has attached a cheque 748796 in the amount of Rs. **114,000.00 payable to yourself as instructed by **HCL TECHNOLOGIES LTD**

Payment Description: 1000B

| REFERENCE | DATE | DESCRIPTION | AMOUNT (Rs.) |
|------------|------------|-------------|--------------|
| REFER DESC | 26/10/2015 | BSE | 114,000.00 |

TOTAL: Rs. 114,000.00



Limited Cashier's Order

Valid for three months from the date of issue

दिनांक
Date 2 8 1 0 2 0 1 5

Standard Chartered Bank
 STS- Pay Centre, Mumbai - 400001

Not Negotiable Account Payee Only

****BOMBAY STOCK EXCHANGE LIMITED****

Pay

को या उनके आदेश पर Or Order

****One hundred fourteen thousand and 00/100 Only****

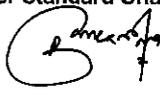
रुपये Rupees

अदा करें।

₹ **114,000.00

खाता सं.
A/c No. 22205505526

For Standard Chartered Bank


 2226
 Net 6
 26/10/15

Payable At Par At All SCB Branches in India

Cust Ref 1700026852
 DD Number 748796

Please sign above

⑈ 748796 ⑈ 000036000⑈ 734918 ⑈ 16

HCL TECHNOLOGIES LTD.

Corporate Identity Number: L74140DL1991PLC046369

A 10-11, Sector 3, NOIDA 201 301, UP, India.

T: +91 120 4013000 F: +91 120 2526907

Registered Office: 806 Siddharth, 96, Nehru Place, New Delhi-110019, India.

www.hcltech.com

www.hcl.com

November 4, 2015

Mr. Nitin Pujari
Deputy Manager- Listing
BSE Limited
P. J. Towers, Dalal Street
Mumbai – 400 001

Sub: Application for grant of approval under Clause 24(f) of the Listing Agreement

Dear Sir,

This is further to our letter dated October 30, 2015 on the captioned subject. Enclosed please find the below mentioned remaining documents for grant of approval under Clause 24(f) of the Listing Agreement:

- I. An undertaking certified by the Statutory Auditors' of the Transferor Company stating the reasons for non-applicability of Para 5.16(a). (**Annexure-1**)
- II. Certified copy of resolution of the Board of Directors of the Transferor Company approving the aforesaid Statutory Auditors' certificate. (**Annexure- 2**).
- III. Statutory Auditors' Certificate confirming the compliance of the accounting treatment as specified in the Clause 24(i) of the listing agreement, as per the format given in SEBI circular CIR/CFD/DIL/1/2014 dated March 25, 2014. (**Annexure- 3**)

We trust you will find the above documents in order. We would request you to kindly take the same on records and grant approval under clause 24(f) of the listing agreement for the proposed Scheme of Arrangement.

In case, you require any other document/ information, please let us know. We shall be pleased to provide the same.

Thanking you

Yours faithfully
For HCL Technologies Limited



Manish Anand
Company Secretary
Tel: +91 120 4013000 (Extn. 3009), 2556436 (D)
Mobile: +91 9810799759
E-mail: manishanand@hcl.com

Encl:a/a

HCL

S.R. BATLIBOI & Co. LLP

Chartered Accountants

Golf View Corporate Tower-B
Sector-42, Sector Road
Gurgaon-122 002, Haryana, India

Tel : +91 124 464 4000

Fax : +91 124 464 4050

The Board of Directors,
HCL Technologies Limited
806, Siddhartha
96, Nehru Place
New Delhi 110 019

Auditors' Certificate

- 1) This certificate is issued in accordance with the terms of our agreement.
- 2) The accompanying undertaking stating the reasons for non applicability of Paragraph 5.16 (a) of circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013 issued by the Securities Exchange Board of India ("SEBI") (hereinafter referred to as the "Circular") has been prepared by the Management of HCL Technologies Limited (the 'Company') pursuant to the requirements of paragraph 5.16(b) of the Circular in connection with its proposed scheme of arrangement between the Company and HCL Comnet Limited ("the wholly-owned subsidiary of the Company") and their respective shareholders and creditors (hereinafter referred to as the "draft Scheme of arrangement") to transfer India System Integration Business of the Company to the wholly-owned subsidiary of the Company. We have initialled the Undertaking for identification purpose only. We have relied on the above undertaking and performed no further procedures in this regard.

Management's Responsibility for the Undertaking

- 3) The preparation of the Undertaking is the responsibility of the Management of the Company including the creation and maintenance of all accounting and other records supporting the contents of the Scheme. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Undertaking.
- 4) The Management is also responsible for ensuring that the Company complies with the requirements of the Circular and the Companies Act, 1956 read with applicable provisions of the Companies Act, 2013 in relation to the Proposed Scheme and for providing all the information to the SEBI, BSE Limited and National Stock Exchange of India Limited (together referred to as "Stock Exchanges.").

Auditors' Responsibility

- 5) Pursuant to the Circular, it is our responsibility to examine the Proposed Scheme and certify whether the requirements set out in Paragraph 5.16 (a) of the Circular, as stated in the Undertaking, are applicable to the Proposed Scheme.
- 6) We conducted our examination in accordance with the 'Guidance Note on Audit Reports and Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India. Our scope of work did not involve us performing any audit tests in the context of our examination. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion. Further our examination did not extend to any aspects of a legal or propriety nature in the aforesaid arrangement /scheme other than the matters referred to in the said certificate.

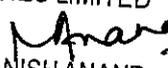
Conclusion

- 7) On the basis of verification of the undertaking given by the Company and according to the information, explanations and specific representations received by us from the management, we certify that the conditions prescribed in paragraph 5.16 (a) of the Original SEBI Circular read with Point no. 7 of the Revised SEBI Circular (in relation to the voting by public shareholders) are not applicable to the Proposed arrangement based on the following grounds:
 - (a) The draft arrangement does not envisage any issue of shares to Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the Company;



S.R. Batliboi & Co. (a partnership firm) converted into S.R. Batliboi & Co. LLP (a Limited Liability Partnership)
Regd. Office : 22, Camac Street, Block 'C', 3rd Floor, Kolkata-700 016

CERTIFIED TRUE COPY
For HCL TECHNOLOGIES LIMITED


MANISH ANAND
Company Secretary

S.R. BATLIBOI & Co. LLP

Chartered Accountants

- (b) There is no scheme of arrangement between the Company and Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group; and
- (c) The Company has not acquired equity shares of the subsidiary, by paying consideration in cash or in kind in the past to any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the parent listed company and there is no merger of any of such companies, which is proposed under the proposed petition.

Restrictions on Use

- 8) Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Circular. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this certificate nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.
- 9) This certificate has been issued for the sole use of the Board of Directors of the Company, to whom it is addressed, to enable the Company to file its application with the Stock Exchanges and should not be used by any other person or for any other purpose. S. R. Batliboi & Co. LLP neither accepts nor assumes any duty or liability for any other purpose or to any other party to whom our certificate is shown or into whose hands it may come without our prior consent in writing.

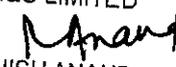
For S. R. Batliboi & Co. LLP
ICAI Firm Registration no. : 301003E
Chartered Accountants





per Tridibes Basu
Partner
Membership No.: 17401
Place: Gurgaon
Date: October 30, 2015

CERTIFIED TRUE COPY
For HCL TECHNOLOGIES LIMITED


MANISH ANAND
Company Secretary

HCL TECHNOLOGIES LTD.

Corporate Identity Number: L74140DL1991PLC046369

A 10-11, Sector 3, NOIDA 201 301, UP, India.

T: +91 120 4013000 F: +91 120 2526907

Registered Office: 806 Siddharth, 96, Nehru Place, New Delhi-110019, India.

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www.hcl.com

Undertaking in relation to non-applicability of requirements prescribed in Para 5.16 (a) of SEBI Circular no. CIR/CFD/DIL/5/2013 dated February 4, 2013 ("Original SEBI Circular) read with SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 ("Revised SEBI Circular") in respect of Scheme of Arrangement

This is in relation to the Scheme of Arrangement ("Scheme") between HCL Technologies Limited ("Company") and HCL Comnet Limited ("HCL Comnet"), a wholly owned subsidiary of the Company under the provisions of Sections 391 to 394 and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Companies Act, 2013 and other applicable provisions, if any, and the Memorandum and Articles of Association of the Company and subject to the consent of members and/ or creditors of the Company, approval of the Hon'ble High Court of and Registrar of Companies, National Capital Territory of Delhi & Haryana and/ or any other relevant authority.

Upon, Scheme become effective, the India System Integration Business of the Company will be transferred to HCL Comnet on a going concern basis for cash consideration and there will not be any issuance of shares.

In connection, with the proposed scheme, we undertake that the requirement of Para 5.16(a) of the Original circular as modified by the revised SEBI Circular pertaining to voting by only public shareholders thorough postal ballot and e-voting is not applicable to the Company for the following reasons:

- i. Where additional shares have been allotted to Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the listed company, or.

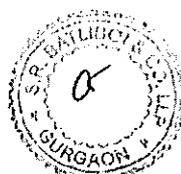
Reason for non-applicability

This Clause is not applicable as the Scheme does not involve issuance of shares to anyone.

- ii. Where the Scheme of Arrangement involves the listed company and any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.

Reason for non-applicability:

This Clause is not applicable as the Scheme does not involve any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.



CERTIFIED TRUE COPY
For HCL TECHNOLOGIES LIMITED

Manish Anand
MANISH ANAND -
Company Secretary

HCL

HCL TECHNOLOGIES LTD.

Corporate Identity Number: L741400L1991PLC046369

A 10-11, Sector 3, NOIDA 201 301, UP, India.

T: +91 120 4013000 F: +91 120 2526907

Registered Office: 806 Siddharth, 96, Nehru Place, New Delhi-110019, India.

www.hcltech.com

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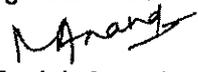
- iii. Where the parent listed company, has acquired the equity shares of the subsidiary, by paying consideration in cash or in kind in the past to any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the parent listed company, and if that subsidiary is being merged with the parent listed company under the Scheme.

Reason for non-applicability:

This Clause is not applicable as the Company has not acquired the equity shares of the subsidiary, by paying consideration in cash or in kind in the past to any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the parent listed company. Further, under the proposed Scheme, HCL Comnet Limited is not getting merged with the Company.

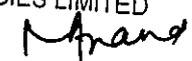
October 30, 2015
Noida(U.P.)

For HCL Technologies Limited


Manish Anand
Company Secretary



CERTIFIED TRUE COPY
For HCL TECHNOLOGIES LIMITED


MANISH ANAND
Company Secretary

HCL

HCL TECHNOLOGIES LTD.

Corporate Identity Number: L74140DL1991PLC046369

A 10-11, Sector 3, NOIDA 201 301, UP, India.

T: +91 120 4013000 F: +91 120 2526907

Registered Office: 806 Siddharth, 96, Nehru Place, New Delhi-110019, India.

www.hcltech.com

www.hcl.com

**CERTIFIED TRUE COPY OF THE RESOLUTION DATED OCTOBER 30, 2015 PASSED BY
RESTRUCTURING COMMITTEE OF THE BOARD OF DIRECTORS OF HCL
TECHNOLOGIES LIMITED**

“RESOLVED THAT an Undertaking for non-applicability of Para 5.16(a) of SEBI Circular no. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013 in respect of Scheme of Arrangement to be furnished to the Stock Exchanges, as placed before the Restructuring Committee of the Board be and is hereby approved.”

“RESOLVED FURTHER that Mr. Anil Chanana, Chief Financial Officer and Mr. Manish Anand, Company Secretary are hereby severally authorized to issue the aforesaid Undertaking on behalf of the Company.”

“RESOLVED FURTHER that the Certificate of the Statutory Auditors for non-applicability of Para 5.16(a) of the aforesaid SEBI Circular be and is hereby noted.”

For HCL Technologies Limited


Manish Anand
Company Secretary

Place: Noida(U.P.)

Date: November 4, 2015

S.R. BATLIBOI & CO. LLP

Chartered Accountants

The Board of Directors,
HCL Technologies Limited
806, Siddhartha
96, Nehru Place
New Delhi 110 019

Golf View Corporate Tower-B
Sector-42, Sector Road
Gurgaon-122 002, Haryana, India
Tel : +91 124 464 4000
Fax : +91 124 464 4050

Dear Sirs,

We, the statutory auditors of HCL Technologies Limited (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in Clause 12.1 of Part II of the Draft Scheme of Arrangement between HCL Technologies Limited and HCL Connet Limited (hereinafter referred to as "the Transferee Company") and their respective shareholders and creditors (hereinafter referred to as "Draft Scheme") in respect of the transfer of India System Integration Business of the Company (as defined in the Scheme) and vesting thereof in the Transferee Company, as a going-concern, in terms of the provisions of sections 391 to 394 of the Companies Act, 1956 read with applicable provisions of the Companies Act, 2013, with reference to its compliance with the applicable Accounting Standards notified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. Our examination did not extend to any aspects of a legal or propriety nature covered in the clause 6, 15 and 17 of the draft scheme of arrangement.

In respect of transfer of the India System Integration Business of the company as more fully explained in the draft scheme of arrangement, we hereby state, that the accounting treatment in respect of transfer of the India System Integration Business of the Company is not directly addressed by any of the Accounting Standards specified by the Central Government under section 133 of Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. Accordingly, in our view, the accounting requirements of the proposed Scheme with respect to aspects of transfer of the India System Integration Business as specified in clause 12.1 of the draft scheme of arrangement are not in violation of the requirements of section 133 of Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.

Read with the above said and based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid Draft Scheme is in compliance with Clause 24 (i) of the Listing Agreement and all the applicable Accounting Standards specified by the Central Government under section 133 of Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014.

This Certificate is issued at the request of the Company pursuant to the requirements of Clause 24(i) of the Listing Agreement for onward submission to the National Stock Exchange of India Ltd and BSE Limited. This Certificate should not be used for any other purpose without our prior written consent.

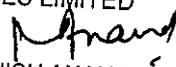
For S. R. Batliboi & Co. LLP
ICAI Firm Registration no. : 301003E
Chartered Accountants



per Tridibes Basu
Partner
Membership No.: 17401
Place: Gurgaon
Date: October 30, 2015



CERTIFIED TRUE COPY
For HCL TECHNOLOGIES LIMITED


MANISH ANAND
Company Secretary