HCL INFOSYSTEMS LIMITED
Regd.Off. 806, Siddharth, 96 Nehru Place, New Delhi 110 019.
Financial Results for the year ended June 30, 2013

Part 1
Statement of financial results

Rs Lakhs

	Particulars	Consolidated		Standalone				
		Audited		Unaudited			Audited	
		Year ended		Three months ended			Year ended	
		30.06.2013	30.06.2012	30.06.2013	31.03.2013	30.06.2012	30.06.2013	30.06.2012
-	Gross Sales / Income from Operations	929,483	1,084,024	197,810	188,405	256,966	869,014	1,037,548
-	Less: Excise Duty	5,075	8,620	826	1,421	2,116	5,075	8,620
1a.	Net Sales / Income from Operations	924,408	1,075,405	196,984	186,984	254,850	863,939	1,028,928
1b.	Other Operating Income	1,379	3,325	162	89	668	1,335	2,234
2.	Expenses							
a)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	8,712	(5,845)	25,283	(1,438)	14,919	10,176	(3,691)
b)	Cost of materials consumed	137,551	136,828	26,961	33,809	34,932	120,005	127,329
c)	Purchases of Stock-in-trade	634,091	793,681	113,920	119,752	165,025	600,234	761,759
d)	Purchases of Services	19,420	19,603	5,057	3,771	7,348	19,339	17,959
e)	Stores & Spares consumed and Others	23,988	22,237	5,442	7,503	5,350	23,970	22,235
f)	Employee benefits expense	54,818	49,004	12,083	12,458	11,005	49,476	45,999
g)	Administration, Selling, Repairs & Others	46,996	46,083	11,258	11,340	12,203	42,513	42,786
h)	Exchange Differences Loss/ (Gain) #	4,550	6,577	1,856	637	3,381	4,436	6,425
i)	Depreciation and amortisation expense	5,189	4,606	1,290	1,188	1,256	4,898	4,312
	Total Expenses	935,315	1,072,774	203,150	189,020	255,419	875,047	1,025,113
3.	Profit / (Loss) from Operations before Other Income & finance costs (1-2)	(9,528)	5,956	(6,004)	(1,947)	99	(9,773)	6,049
4.	Other Income	10,681	10,944	3,379	3,227	2,594	10,584	8,114
5.	Profit / (Loss) from ordinary activities before finance costs (3+4)	1,153	16,900	(2,625)	1,280	2,693	811	14,163
6.	Finance costs	13,709	8,461	3,775	3,577	2,388	13,498	8,009
7.	Profit / (Loss) from ordinary activities before Tax (5-6)	(12,556)	8,439	(6,400)	(2,297)	305	(12,687)	6,154
8.	Tax Expense	(4,559)	1,439	(2,375)	(801)	50	(4,554)	1,368
9.	Net Profit / (Loss) from ordinary activities after Tax (7-8)	(7,997)	7,000	(4,025)	(1,496)	255	(8,133)	4,786
10.	Extraordinary items (net of tax expense)	-	-	-	-	-	-	-
11.	Net Profit / (Loss) for the period (9-10)	(7,997)	7,000	(4,025)	(1,496)	255	(8,133)	4,786
12.	Minority Interest	-	(207)	NA	NA	NA	NA	NA
13.	Net Profit / (Loss) for the period after taxes, minority interest (11-12)	(7,997)	7,207	(4,025)	(1,496)	255	(8,133)	4,786
14.	Paid-up Equity Share Capital (Face value per share in Rs. 2/-)	4,458	4,458	4,458	4,458	4,458	4,458	4,458
15.	Reserves excluding Revaluation Reserves as per Balance Sheet	179,004	186,653				179,125	187,258
16.	Earnings per Share (EPS) (not annualised) Rs./share							
a)	EPS before extra ordinary items for the period							
	- Basic	-3.59	3.23	-1.81	-0.67	0.11	-3.65	2.15
	- Diluted	-3.59	3.23	-1.81	-0.67	0.11	-3.65	2.15
b)	EPS after extra ordinary items for the period							
	- Basic	-3.59	3.23	-1.81	-0.67	0.11	-3.65	2.15
	- Diluted	-3.59	3.23	-1.81	-0.67	0.11	-3.65	2.15
	# including unrealised Exchange Difference Loss/ (Gain)	(1,279)	3,341	790	(706)	2,055	(1,279)	3,341
	- Hardware Products and Solutions	(4)	65	75	12	22	(4)	65
	- Services	85	(4)	2	(1)	(5)	10	29
	- Distribution	78	23	26	23	24	78	23
	- Learning	(1,120)	3,425	894	(672)	2,097	(1,196)	3,458
	Total							

Statement of Assets and Liabilities

Rs. Lakhs

Particulars	Consolidated		Standalone	
	Audited as at		Audited as at	
	30.06.2013	30.06.2012	30.06.2013	30.06.2012
A EQUITY AND LIABILITIES				
Shareholders' funds				
Share capital	4,458	4,458	4,458	4,458
Reserves and surplus	179,004	186,653	179,125	187,258
Sub-Total - Shareholders' funds	183,462	191,111	183,583	191,716
Non Current Liabilities				
Long term Borrowings	50,690	13,220	50,565	12,307
Other Long term Liabilities	7,761	14,883	7,761	14,883
Long term Provisions	1,863	1,829	1,599	1,544
Sub-Total - Non Current Liabilities	60,314	29,932	59,925	28,734
Current Liabilities				
Short-term borrowings	48,283	49,241	45,033	47,749
Trade payables	222,108	174,684	203,884	163,787
Other current liabilities	51,443	55,044	47,898	52,312
Short-term provisions	2,222	2,608	2,098	2,401
Sub-Total - Current Liabilities	324,056	281,577	298,913	266,249
Total - EQUITY AND LIABILITIES	567,832	502,620	542,421	486,699
B ASSETS				
Non-current assets				
Fixed Assets	37,614	37,106	29,918	29,821
Goodwill on consolidation	3,475	3,318		
Non-current investments	-		14,039	11,782
Deferred tax assets (net)	7,302	2,731	6,827	2,273
Long-term loans and advances	6,976	6,488	7,577	5,890
Trade receivables	809	2,281	809	2,281
Other non-current assets	34,590	33,678	34,590	33,678
Sub-Total - Non Current assets	90,766	85,602	93,760	85,725
Current Assets				
Current investments	91,871	43,177	91,871	43,177
Inventories	56,841	70,732	50,429	65,895
Trade receivables	129,754	121,845	117,632	118,061
Cash and bank balances	31,322	30,266	22,550	22,420
Short-term loans and advances	27,697	29,337	26,696	29,760
Other current assets	139,581	121,661	139,483	121,661
Sub-Total - Current assets	477,066	417,018	448,661	400,974
Total Assets	567,832	502,620	542,421	486,699

Part 2

Select Information for the Quarter and year ended June 30, 2013

	Particulars	Consolidated		Standalone				
		Audited		Unaudited			Audited	
		Year ended		Three months ended			Year ended	
		30.06.2013	30.06.2012	30.06.2013	31.03.2013	30.06.2012	30.06.2013	30.06.2012
A)	**Particulars of Share holding**							
1.	Public Shareholding							
	- Number of Shares	98,501,455	109,726,271	98,501,455	104,336,027	109,726,271	98,501,455	109,726,271
	- Percentage of Shareholding	44.19%	49.23%	44.19%	46.81%	49.23%	44.19%	49.23%
2.	Promoters and Promoter Group Shareholding							
a)	Pledged / Encumbered							
	- Number of shares	Nil	NIL	Nil	NIL	NIL	Nil	NIL
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	NIL	Nil	NIL	NIL	Nil	NIL
	- Percentage of shares (as a % of the total share capital of the company)	Nil	NIL	Nil	NIL	NIL	Nil	NIL
b)	Non - encumbered							
	- Number of shares	124,378,174	113,153,358	124,378,174	118,543,602	113,153,358	124,378,174	113,153,358
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	55.81%	50.77%	55.81%	53.19%	50.77%	55.81%	50.77%

	Particulars	Three months ended 30.06.2013
B)	**INVESTOR COMPLAINTS**	
	Pending at the beginning of the Quarter	NIL
	Received during the Quarter	NIL
	Diposed of during the Quarter	NIL
	Remaining unresolved at the end of the Quarter	NIL

Segment-wise Information (Refer Note-3)

	Particulars	Consolidated		Standalone				
		Audited		Unaudited			Audited	
		Year ended		Three months ended			Year ended	
		30.06.2013	30.06.2012	30.06.2013	31.03.2013	30.06.2012	30.06.2013	30.06.2012
	Segment Revenue							
	-Hardware Products and Solutions (Gross)	335454	320849	66,449	72,424	82,903	300,148	295,653
	Less: Excise Duty	5075	8620	826	1,421	2,116	5,075	8,620
	- Hardware Products and Solutions (Net)	330379	312229	65,623	71,003	80,788	295,073	287,033
	- Services	57678	60459	14,300	14,473	15,678	55,343	60,416
	- Distribution	570224	696250	112,831	99,820	154,038	504,969	672,857
	- Learning	9083	9232	4,329	1,823	4,585	9,083	9,232
	- Internet & Related Services (Discontinued)		2311					
	Total	967364	1080481	197,083	187,119	255,089	864,467	1,029,538
	Less : Intersegment revenue	42957	5076	99	135	239	528	610
	Net Sales / Income from Operations	924408	1075405	196,984	186,984	254,850	863,939	1,028,928
	Segment Results (Profit / (Loss) before Tax and Interest from each segment) #							
	- Hardware Products and Solutions	(13,296)	(9,021)	(7,732)	(2,183)	(3,813)	(13,338)	(9,596)
	- Services	6901	12589	1,966	1,492	2,689	7,053	12,627
	- Distribution	9580	14900	1,663	1,965	3,025	9,086	15,145
	- Learning	(354)	(447)	681	(250)	647	(354)	(447)
	- Internet & Related Services (Discontinued)		(554)					
	Total	2830	17467	(3,422)	1,025	2,548	2,447	17,729
	Less :							
	i) Interest Expense	13709	8461	3,775	3,577	2,388	13,498	8,009
	ii) Other un-allocable expenditure net off un-allocable (income)	1678	566	(797)	(256)	(145)	1,636	3,566
	Total Profit / (Loss) before Tax	(12,556)	8439	(6,400)	(2,297)	305	(12,687)	6,154
	Capital Employed (Segment Assets - Segment Liabilities)							
	- Hardware Products and Solutions	102931	118555	99,930	118,760	122,739	99,930	122,739
	- Services	21829	15306	20,526	18,573	15,265	20,526	15,265
	- Distribution	(5,393)	9314	(14,604)	12,236	(1,625)	(14,604)	(1,625)
	- Learning	1679	(145)	1,680	2,074	(145)	1,680	(145)
	Unallocated							
	- Liquid Assets	92070	43856	92,070	76,862	43,856	92,070	43,856
	- Others unallocated	79772	73317	89,779	86,004	78,061	89,779	78,061
	Total Capital Employed	292887	260204	289,380	314,509	258,152	289,380	258,152

Place : Noida
Date : August 14, 2013

Notes:

1. After recommendation by the Audit Committee, these results have been approved and taken on record by the Board of Directors at its meeting held on August 14, 2013. The results for the year ended June 30, 2013 have been audited by the statutory auditors.
2. The Board of Directors had at its meeting held on January 14, 2013, approved a business restructuring plan consisting of a Composite Scheme of Arrangement (the Scheme) under the provisions of Section 391 and 394 of the Companies Act, 1956. The Scheme inter-alia envisages transfer of the Hardware Solutions Business, Services business and Learning Business (collectively the "Transferred Undertakings") of the Company to separate wholly owned subsidiaries namely HCL System Integration Limited, HCL Care Limited and HCL Learning Limited, respectively. The Scheme also envisages merger of HCL Infocom Limited, a wholly owned subsidiary with the Company. January 1, 2013 has been fixed as the Appointed Date. The Equity Shareholders, Secured and Unsecured Creditors of the Company have at their respective meetings, convened as per the directions of the Hon'ble High Court of Delhi accorded their approval to the Scheme. The final petition has also been filed with Hon'ble High Court of Delhi for its sanction.The Scheme is subject to requisite sanction of the Hon'ble High Court of Judicature at Delhi and other regulatory authorities. The Company continues to carry on business and activities in relation to the transferred undertakings on account of and in trust for the respective transferee companies until all the requisite approval and formalities are completed.

   The financial results includes the following revenue and profit/(loss) before tax of the Transferred Undertakings for the quarter/year ended June 30, 2013, quarter ended March 31, 2013 and year ended June 30, 2012 . Prior year/periods comparatives for the quarter ended June 30, 2012 are not disclosed as it is impracticable to compute strictly comparable numbers.

	Three months ended		Year ended	
	30.06.2013	31.03.2013	30.06.2013	30.06.2012
Services				
Revenue	14300	14473	55343	60416
Profit / (Loss) before Finance cost, Other Income and common Corporate Cost	1966	1492	7053	12627
Profit Before Tax*	470	403	2577	8770
Learning				
Revenue	4329	1823	9083	9232
Profit/(Loss) before Finance cost, Other Income and common Corporate Cost	681	(250)	(354)	(447)
Profit /(Loss) Before Tax*	767	(149)	(68)	(577)
Hardware Solution				
Revenue	43232	41167	187101	166233
Profit/(Loss) before Finance cost, Other Income and common Corporate Cost	(6,989)	(2,321)	(12,738)	(6,904)
Profit /(Loss) Before Tax*	(7,024)	(2,709)	(15,916)	(10,067)

* After Other Income & allocating estimated Finance Cost and common Corporate Cost.

3. In the previous year/periods, the Company was reporting "Computer Systems and Other Related Products and Services" and 'Telecommunication and Office Automation" as its primary segments. Considering the existing internal reporting structure, the Company had reorganized its primary business segments as "Hardware Products and Solutions business" (comprising of Hardware Solutions business, Computing products manufacturing facility and Channel business), "Services business", "Learning business" and "Distribution business", consequent to which segment disclosures for the current year and previous year have been presented based on revised segments. There is no change in the secondary segment reporting, which continues to be based upon geographical location of the customers.
4. Pursuant to notification u/s 211(3C) of the Companies Act , 1956 issued by the Ministry of Corporate Affairs on December 29, 2011, the Company has opted to accumulate the exchange difference arising on translation of foreign currency items having a term of 12 months or more and amortise such exchange difference over the period of the item. Accordingly, a loss of Rs. 1796 lakhs stands deferred as at June 30, 2013.
5. Consolidated Results include financial results of HCL Infosystems Limited (the parent company) , its eight subsidiaries and their eight step down subsidiaries and two joint venture companies.
6. The amounts for the quarter ended June 30, 2013 represent difference between the amounts as per the annual audited accounts and the year to date results up to March 31, 2013 which have been subjected to limited review.
7. Figures for previous periods have been regrouped and rearranged, wherever necessary, to conform with the relevant current period's classification.

By order of the Board
for HCL Infosystems Limited

HARSH CHITALE
CEO & Whole Time Director