

HCL INFOSYSTEMS LTD.

E-4, Sector 11, NOIDA 201 301, U.P., India

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

www.hclinfosystems.com

www.hcl.com

14th November, 2013

To

The Secretary,
National Stock Exchange of India Limited,
"Exchange plaza"
Bandra-Kurla Complex,
Bandra (East)
Mumbai-400051

To

The Secretary,
Bombay Stock Exchange Limited,
P.J.Tower
Dalal Street
Fort
Mumbai-400001

Dear Sirs,

Sub: Unaudited Financial Results for the quarter ended 30th September, 2013

Dear Sirs,

This is further to our letter dated 8th November , 2013 on the above subject.

In terms of the requirements of Clause 41 of the Listing Agreement, we are enclosing unaudited financial results of the Company for the quarter ended 30th September, 2013 which have been taken on record at the meeting of the Board of Directors of the Company held today.

The Limited Review Report issued by the Auditors on the said results is also enclosed.

We further wish to inform you that we are also arranging to publish the results in the newspapers.

Please acknowledge receipt.

Thanking you,

Very truly yours,
For HCL Infosystems Limited


Sushil Kumar Jain
Company Secretary

Encl: as above

HCL

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

Part I - Statement of Standalone results for the quarter ended September 30, 2013

Rs Lakhs

Particulars	Standalone			
	Unaudited			Audited
	Three months ended			Year ended
	30.09.2013	30.06.2013	30.09.2012	30.06.2013
- Gross Sales / Income from Operations	159,647	197,810	235,579	869,014
- Less: Excise Duty	299	826	1,411	5,075
1a. Net Sales / Income from Operations	159,348	196,984	234,168	863,939
1b. Other Operating Income	9	162	357	1,335
2. Expenses				
Changes in Inventories of finished goods, work-in-progress and				
a) stock-in-trade	(4,578)	25,283	(2,166)	10,176
b) Cost of materials consumed	14,785	26,961	21,663	120,005
c) Purchases of Stock-in-trade	140,386	113,920	180,238	600,234
d) Purchases of Services	27	5,057	5,993	19,339
e) Stores & Spares consumed and Others	1,830	5,442	4,893	23,970
f) Employee benefits expense	1,747	12,083	12,090	49,476
g) Administration, Selling, Repairs & Others	2,640	11,258	8,397	42,513
h) Exchange Differences Loss/ (Gain) #	1,370	1,856	1,292	4,436
i) Depreciation and amortisation expense	238	1,290	1,182	4,898
Total Expenses	158,445	203,150	233,582	875,047
Profit / (Loss) from Operations before Other Income & finance costs (1-2)	912	(6,004)	943	(9,773)
4. Other Income	1,466	3,379	2,208	10,584
Profit / (Loss) from ordinary activities before finance costs (3+4)	2,378	(2,625)	3,151	811
6. Finance costs	1,651	3,775	2,857	13,498
7. Profit / (Loss) from ordinary activities before Tax (5-6)	727	(6,400)	294	(12,687)
8. Tax Expense/ (Credit)	579	(2,375)	40	(4,554)
9. Net Profit / (Loss) from ordinary activities after Tax (7-8)	148	(4,025)	254	(8,133)
10. Extraordinary items (net of tax expense)	-	-	-	-
11. Net Profit / (Loss) for the period (9-10)	148	(4,025)	254	(8,133)
12. Paid-up Equity Share Capital (Face value per share in Rs. 2/-)	4,458	4,458	4,458	4,458
13. Reserves excluding Revaluation Reserves as per Balance Sheet of the previous accounting year				179,125
14. Earnings per Share (EPS) (not annualised) Rs./share				
a) EPS before extra ordinary items for the period				
- Basic	0.07	(1.81)	0.11	(3.65)
- Diluted	0.07	(1.81)	0.11	(3.65)
b) EPS after extra ordinary items for the period				
- Basic	0.07	(1.81)	0.11	(3.65)
- Diluted	0.07	(1.81)	0.11	(3.65)
# including unrealised Exchange Difference Loss/ (Gain)				
- Hardware Products and Solutions	800	790	(724)	(1,279)
- Services		75	(132)	(4)
- Distribution	87	2	8	10
- Learning		26	15	78
Total	887	893	(833)	(1,195)

Part II - Select information for the Quarter ended September 30, 2013

Particulars	Standalone			
	Unaudited			Audited
	Three months ended			Year ended
	30.09.2013	30.06.2013	30.09.2012	30.06.2013
A) Particulars of Share holding				
1. Public Shareholding				
- Number of Shares	93,844,683	98,501,455	109,726,271	98,501,455
- Percentage of Shareholding	42.11%	44.19%	49.23%	44.19%
2. Promoters and Promoter Group Shareholding				
a) Pledged / Encumbered				
- Number of shares	Nil	Nil	Nil	Nil
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil
- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil
b) Non - encumbered				
- Number of shares	129,034,946	124,378,174	113,153,358	124,378,174
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the company)	57.89%	55.81%	50.77%	55.81%

Particulars	Three months ended 30.09.2013
B) INVESTOR COMPLAINTS	
Pending at the beginning of the Quarter	Nil
Received during the Quarter	1
Disposed of during the Quarter	1
Remaining unresolved at the end of the Quarter	Nil

Segment-wise Information (Refer Note-3)

Rs Lakhs

Particulars	Standalone			Audited Year ended 30.06.2013
	Unaudited Three months ended 30.09.2013	Unaudited Three months ended 30.06.2013	Unaudited Three months ended 30.09.2012	
1. Segment Revenue				
-Hardware Products and Solutions (Gross)	27,475	66,449	62,475	300,148
Less: Excise Duty	299	826	1,411	5,075
- Hardware Products and Solutions (Net)	27,176	65,623	61,064	295,073
- Services		14,300	13,109	55,343
- Distribution	132,172	112,831	158,618	504,968
- Learning		4,329	1,572	9,083
Total	159,348	197,083	234,363	864,467
Less : Intersegment revenue		99	195	528
Net Sales / Income from Operations	159,348	196,984	234,168	863,939
2. Segment Results (Profit / (Loss) before Tax and Interest from each segment)				
- Hardware Products and Solutions	(407)	(7,732)	(774)	(13,338)
- Services		1,966	2,155	7,053
- Distribution	2,491	1,663	3,017	9,086
- Learning		681	(264)	(354)
Total	2,084	(3,422)	4,134	2,447
Less :				
i) Interest Expense	1,651	3,775	2,857	13,498
ii) Other un-allocable expenditure net off un-allocable (income)	(294)	(797)	983	1,636
Total Profit / (Loss) before Tax	727	(6,400)	294	(12,687)
3. Capital Employed (Segment Assets - Segment Liabilities)				
- Hardware Products and Solutions	(2,219)	99,930	135,250	99,930
- Services		20,526	14,033	20,526
- Distribution	(23)	(14,604)	1,969	(14,604)
- Learning		1,680	2,096	1,680
Unallocated				
- Liquid Assets	64,244	92,070	41,149	92,070
- Others unallocated	28,723	89,779	86,463	89,779
Total Capital Employed	90,725	289,381	280,960	289,381

Notes

- 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 November 14, 2013. The results have been subjected to a limited review by the statutory auditors.
- The Hon'ble High Court of Delhi has sanctioned the Composite Scheme of Arrangement (the "Scheme") under the provisions of section 391 to 394 of the Companies Act, 1956, vide its order dated September 18, 2013 received on October 30, 2013. The Scheme has become effective from November 1, 2013 on filing a certified copy of the High Court order with the office of the Registrar of the Companies, NCT of Delhi & Haryana and is applicable from January 1, 2013 (the "Appointed date"). According to the Scheme, the Hardware Solutions Business, Services Business and Learning Business (collectively the "Transferred Undertakings") of the Company stand transferred to HCL Infotech Limited (formerly known as HCL System Integration Limited), HCL Services Limited (formerly known as HCL Care Limited) and HCL Learning Limited (collectively the "Transferee Companies") respectively, the wholly owned subsidiaries. According to the Scheme, HCL Infocom Limited (HCL I), the wholly owned subsidiary of the Company, stands merged with the Company.

In accordance with the Scheme, the Company continued to carry on the business and activities in relation to the Transferred Undertakings on account of and in trust for the respective Transferee Companies from January 1, 2013 (the "Appointed date") till November 1, 2013 (the "Effective date").

The standalone financial results of the Company for the quarter ended September 30, 2013 have been prepared after considering the accounting treatment specified under the Scheme and therefore do not include results of the Transferred Undertakings. However, the financial results for previous year/periods includes the following revenue and profit/(loss) before tax of the Transferred Undertakings for the quarter/year ended June 30, 2013 and quarter ended September 30, 2012 and therefore are not comparable with those of the current quarter.

	Rs Lakhs		
	Three months ended 30.06.2013	30.09.2012	Year ended 30.06.2013
Services			
Revenue	14,300	13,108	55,343
Profit / (Loss) before Finance cost, Other Income and common Corporate Cost	1,966	2,156	7,053
Profit Before Tax*	470	1,294	2,577
Learning			
Revenue	4,329	1,572	9,083
Profit/(Loss) before Finance cost, Other Income and common Corporate Cost	681	(264)	(354)
Profit /(Loss) Before Tax*	767	(238)	(68)
Hardware Solution			
Revenue	43,232	34,517	187,101
Profit/(Loss) before Finance cost, Other Income and common Corporate Cost	(6,989)	(81)	(12,738)
Profit /(Loss) Before Tax*	(7,024)	(1,631)	(15,916)

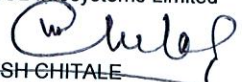
* After Other Income & allocating Finance Cost and common Corporate Cost.

3. The standalone segment disclosures for the quarter ended September 30, 2013 have been prepared after considering the effect of the Scheme and do not include disclosures of transferred undertakings. Therefore these are not comparable with those of the previous year/periods.
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.524 lakhs stands deferred as at September 30, 2013.
5. Tax expense for the current quarter has been estimated subject to final computation of various tax adjustments.
6. Figures for previous periods have been regrouped and rearranged, wherever necessary, to conform with the relevant current period's classification.

Place : Noida

Date : November 14, 2013

By order of the Board
for HCL Infosystems Limited


HARSH CHITALE
CEO & Managing Director

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The Board of Directors
HCL Infosystems Limited
E- 4, 5, 6, Sector XI,
Noida - 201301 (Uttar Pradesh)

1. We have reviewed the results of HCL Infosystems Limited (the "Company") for the quarter ended September 30, 2013 which are included in the accompanying 'Unaudited Financial Results for the quarter ended September 30, 2013' ('the Statement'), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.
3. A review is limited primarily to inquiries of Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. We have only traced the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in the Statement from the disclosures made by the Management and are, therefore, not expressing a review opinion thereon.
5. We draw attention to Note 2 to the accompanying financial results regarding the accounting treatment followed under the Scheme of Arrangement which prescribes -
 - Transfer of the assets and liabilities, attributable to Hardware Solutions Business, Services Business and Learning Business (collectively the "Transferred Undertakings") to HCL Infotech Limited (formerly known as HCL System Integration Limited) (HCL IT), HCL Services Limited (formerly known as HCL Care Limited) (HCL S) and HCL Learning Limited (HCL L) (collectively the "Transferee Companies") respectively and the difference between the book value of net assets transferred (excess of assets over the liabilities) and the consideration recoverable as at January 1, 2013 to be debited to the Business Restructuring Reserve (BRR).
 - Recording of assets and liabilities of HCL I, including its investments in the Transferee Companies, at fair value and difference between the fair value of such assets and liabilities to be credited to the Capital Reserve.
 - Utilisation of Capital Reserve, arising from merger of HCL Infocom Limited, the wholly owned subsidiary of the Company, with the Company, to set-off against the BRR.
 - The remaining balance in BRR, if any, to be adjusted against the Securities Premium account.

The aforesaid accounting treatment is in accordance with the Scheme of Arrangement as sanctioned by the Hon'ble High Court of Delhi vide order dated September 18, 2013 received on October 30, 2013, effective from January 1, 2013, and filed with the Registrar of Companies, , NCT of Delhi & Haryana on November 1, 2013. Our conclusion is not qualified in respect of this matter.



6. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants



Abhishek Rara
Partner
Membership Number: 077779

Place: Noida
Date: November 14, 2013