HCL TECHNOLOGIES LTD.
Corporate Identity Number: L74140DL1991PLC046369
Technology Hub, Special Economic Zone
Plot No : 3A, Sector 126, NOIDA 201 304, UP, India.
T +91 120 6125000 F +91 120 4683030
Registered Office: 806 Siddharth, 96, Nehru Place, New Delhi-110019, India.
www.hcltech.com
www.hcl.com

September 19, 2018

Mr. Girish Joshi : **BSE Ltd.**
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400001

Mr. Avinash Kharker : **National Stock Exchange of India Ltd.**
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra Kurla Complex, Bandra (East)
Mumbai 400051

Sub.: Outcome of the 26th Annual General Meeting held on September 18, 2018

Dear Sirs,

This is to inform you that the 26th Annual General Meeting ('AGM') of the Company was held on Tuesday, September 18, 2018 at 11:00 A.M. at 'Stein Auditorium', Habitat World, India Habitat Centre, Lodhi Road, New Delhi – 110 003.

- In terms of Regulation 30, read with Part – A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform that all the items as given in the Notice of the AGM and reproduced hereunder have been approved with requisite majority by the shareholders of the Company. The mode of voting was Poll / remote e-voting.

Item No.	Agenda Items	Remarks
Ordinary Business		
1	Adoption of Financial Statements along with the Reports of the Board of Directors and of the Auditors thereon.	Passed by Ordinary Resolution
2	Re-appointment of Ms. Roshni Nadar Malhotra as Director liable to retire by rotation	Passed by Ordinary Resolution
Special Business		
3	Appointment of Mr. James Philip Adamczyk as an Independent Director of the Company	Passed by Ordinary Resolution

HCL TECHNOLOGIES LTD.
Corporate Identity Number: L74140DL1991PLC046369
Technology Hub, Special Economic Zone
Plot No : 3A, Sector 126, NOIDA 201 304, UP, India.
T +91 120 6125000 F +91 120 4683030
Registered Office: 806 Siddharth, 96, Nehru Place, New Delhi-110019, India.
www.hcltech.com
www.hcl.com

- Pursuant to the Regulation 44(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the voting results of the aforesaid items are enclosed as Annexure - I along with the Scrutinizers' Report.

- Pursuant to the Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, the Annual Report for the financial year 2017-18, duly approved and adopted by the members as per the provisions of the Companies Act, 2013 is enclosed as Annexure- II.

This is for your information and records.

Yours faithfully,
for **HCL Technologies Limited**



Manish Anand
Company Secretary

Encl. a/a

Annexure- A

HCL Technologies Limited

Voting reults as per regulation 44(3) of SEBI (Listing Obligations and Disclosure requirements), 2015

Date of AGM	18-Sep-18
Total number of shareholders as on the Cut-Off date	1,76,707
No. of shareholders present in the meeting either in person or through proxy:	
Promoters and Promoter Group:	6
Public:	1435
No. of shareholders attended through video conferencing	None
Promoters and Promoter Group:	
Public:	

Resolution No. 1: Adoption of Financial Statements along with the Reports of the Board of Directors and of the Auditors thereon.
Resolution required : Ordinary Resolution
Whether Promoter/ Promoter Group interested in the agenda/ resolution: **No**

Category	Mode of Voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of Votes- In favour	No. of Votes- against	% of Votes in favour on votes polled	% of Votes against on votes polled
		1	2	3=(2/1)*100	4	5	6=(4/2)*100	7=(5/2)*100
Promoter and Promoter Group	Remote e-voting	83,78,80,610	83,78,80,610	100.00	83,78,80,610	-	100.00	-
	Postal Ballot		-	-	-	-	-	-
	Total	**83,78,80,610**	**83,78,80,610**	**100.00**	**83,78,80,610**	-	**100.00**	-
Public- Institutional holders	Remote e-voting	50,10,62,995	37,99,99,916	75.84	37,98,68,324	1,31,592	99.97	0.03
	Postal Ballot		-	-	-	-	-	-
	Total	**50,10,62,995**	**37,99,99,916**	**75.84**	**37,98,68,324**	**1,31,592**	**99.97**	**0.03**
Public- Others	Remote e-voting	5,35,78,059	48,24,549	9.00	48,23,484	1,065	99.98	0.02
	Postal Ballot		1,221	0.00	1,220	1	99.92	0.08
	Total	**5,35,78,059**	**48,25,770**	**9.01**	**48,24,704**	**1,066**	**99.98**	**0.02**
Grand Total		**1,39,25,21,664**	**1,22,27,06,296**	**87.81**	**1,22,25,73,638**	**1,32,658**	**99.99**	**0.01**



Resolution No. 2: Re-appointment of Ms. Roshni Nadar Malhotra as Director liable to retire by rotation
Resolution required : Ordinary Resolution
Whether Promoter/ Promoter Group interested in the agenda/ resolution: Yes

Category	Mode of Voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of Votes- In favour	No. of Votes- against	% of Votes in favour on votes polled	% of Votes against on votes polled
		1	2	3=(2/1)*100	4	5	6=(4/2)*100	7=(5/2)*100
Promoter and Promoter Group	Remote e-voting	83,78,80,610	83,78,80,610	100.00	83,78,80,610	-	100.00	-
	Postal Ballot		-	-	-	-	-	-
	Total	**83,78,80,610**	**83,78,80,610**	**100.00**	**83,78,80,610**	-	**100.00**	-
Public- Institutional holders	Remote e-voting	50,10,62,995	39,86,56,372	79.56	34,79,75,772	5,06,80,600	87.29	12.71
	Postal Ballot		-	-	-	-	-	-
	Total	**50,10,62,995**	**39,86,56,372**	**79.56**	**34,79,75,772**	**5,06,80,600**	**87.29**	**12.71**
Public- Others	Remote e-voting	5,35,78,059	48,31,425	9.02	48,19,131	12,294	99.75	0.25
	Postal Ballot		1,221	0.00	1,220	1	99.92	0.08
	Total	**5,35,78,059**	**48,32,646**	**9.02**	**48,20,351**	**12,295**	**99.75**	**0.25**
Grand Total		**1,39,25,21,664**	**1,24,13,69,628**	**89.15**	**1,19,06,76,733**	**5,06,92,895**	**95.92**	**4.08**

Resolution No. 3: Appointment of Mr. James Philip Adamczyk as an Independent Director of the Company
Resolution required : Ordinary Resolution
Whether Promoter/ Promoter Group interested in the agenda/ resolution: **No**

Category	Mode of Voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of Votes- In favour	No. of Votes- against	% of Votes in favour on votes polled	% of Votes against on votes polled
		1	2	3=(2/1)*100	4	5	6=(4/2)*100	7=(5/2)*100
Promoter and Promoter Group	Remote e-voting	83,78,80,610	83,78,80,610	100.00	83,78,80,610	-	100.00	-
	Postal Ballot		-	-	-	-	-	-
	Total	**83,78,80,610**	**83,78,80,610**	**100.00**	**83,78,80,610**	-	**100.00**	-
Public- Institutional holders	Remote e-voting	50,10,62,995	40,55,37,700	80.94	40,24,89,320	30,48,380	99.25	0.75
	Postal Ballot		-	-	-	-	-	-
	Total	**50,10,62,995**	**40,55,37,700**	**80.94**	**40,24,89,320**	**30,48,380**	**99.25**	**0.75**
Public- Others	Remote e-voting	5,35,78,059	48,31,180	9.02	48,29,930	1,250	99.97	0.03
	Postal Ballot		1,221	0.00	1,221	-	100.00	-
	Total	**5,35,78,059**	**48,32,401**	**9.02**	**48,31,151**	**1,250**	**99.97**	**0.03**
Grand Total		**1,39,25,21,664**	**1,24,82,50,711**	**89.64**	**1,24,52,01,081**	**30,49,630**	**99.76**	**0.24**



To,

The Chairman of the 26th Annual General Meeting of the members of HCL Technologies Limited held on Tuesday, 18th day of September, 2018 at 11:00 A.M. at The Stein Auditorium, Habitat World, at the India Habitat Centre Lodhi Road, New Delhi-110003

Sub.: Consolidated Scrutinizer's Report of e-voting and voting by Ballot at the AGM

Dear Sir,

I, Nityanand Singh, (Proprietor) of M/s. Nityanand Singh & Co., Company Secretaries having its office at 14, Second Floor, Arjun Nagar, Safdarjung Enclave, New Delhi-110029, appointed as the scrutinizer of **HCL Technologies Limited** (the "**Company**") for the purpose of scrutinizing voting through remote e-voting and polling done through ballot (via Note Pads) at the 26th Annual General Meeting of the equity shareholders of the Company held on 18th September, 2018, pursuant to section 108 & 109 of the Companies Act, 2013, read along with Rule 20 & 21 of the Companies (Management and Administration) Rules, 2014, as amended from time to time. In respect of the below mentioned resolutions proposed at the AGM of the Company, I submit herewith my combined report on the results on 'e-voting and voting by ballot' (Via Note Pads)' at the meeting as under:

1. The E-voting period remained open from 14th September, 2018 (9.00 A.M.) to 17th September, 2018 (5:00 P.M.).

2. The Shareholders holding shares as on the "cut off" date i.e. 11th September, 2018 were entitled to vote on the proposed resolutions (item no.1 to 3) as set out in the Notice dated 17th August, 2018 of the 26th Annual General Meeting of **HCL Technologies Limited**.

3. The votes were unblocked on **18th September, 2018** around 01.28 P.M in the presence of two witnesses, Mr. Harish Damani R/o. 34, I-O New Qutub Apartment Ward No. 1, Desu Road, New Delhi-110030 and Ms. Sanskriti R/o C-10, Panchsheel Vihar, Malviya Nagar, New Delhi- 110017 who are not in the employment of the Company. They have signed below in confirmation of the votes being unblocked in their presence.

Harish Damani

Kumari Sanskriti

NITYANAND SINGH & CO. * NEW DELHI * COMPANY SECRETARIES

4. Thereafter, the details containing, inter-alia, list of Equity Shareholders, who voted "For" and "Against", were downloaded from the e-voting website of National Securities Depository Limited (https://www.evoting.nsdl.com/).

5. The voting through Ballot was done by Notes Pads with the assistance of NSDL representatives.

6. After the time fixed for closing of the voting through Ballot (Via Note Pads) by the Chairman, the votes were unblocked on 18th September, 2018 at 01:28 P.M approx. in my presence.

7. I now submit my consolidated report as under:

Resolution 1– Adoption of Financial Statements along with the Reports of the Board of Directors and of the Auditors thereon.

Particulars	Consolidated Voting Results		% of Total Votes Cast
	No. of Members who voted	No. of votes cast	
Votes in favour of resolution	1,369	1,22,25,73,638	99.99
Votes in against of resolution	8	1,32,658	0.01
Invalid Votes	--	--	--

Resolution 2 – Re-appointment of Ms. Roshni Nadar Malhotra as Director liable to retire by rotation.

Particulars	Consolidated Voting Results		% of Total Votes Cast
	No. of Members who voted	No. of votes cast	
Votes in favour of resolution	1,210	1,19,06,76,733	95.92
Votes in against of resolution	194	5,06,92,895	4.08
Invalid Votes	--	--	--

NITYANAND SINGH & CO. * NEW DELHI * COMPANY SECRETARIES

Resolution 3 – Appointment of Mr. James Philip Adamczyk as an Independent Director of the Company.

Particulars	Consolidated Voting Results		% of Total Votes Cast
	No. of Members who voted	No. of votes cast	
Votes in favour of resolution	1,371	1,24,52,01,081	**99.76**
Votes in against of resolution	23	30,49,630	**0.24**
Invalid Votes	--	--	--

On the basis of the above results, all the resolutions have been passed with the requisite majority.

8. The voting results as per reg. 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached with this report as **Annexure.**

Thanking you,
Yours truly,
For Nityanand Singh & Co.,
Company Secretaries



Nityanand Singh (Prop.)
FCS 2668, CP 2388

Place: New Delhi
Date: 19th September, 2018

Annexure- A

HCL Technologies Limited

Voting reults as per regulation 44(3) of SEBI (Listing Obligations and Disclosure requirements), 2015

Date of AGM	18-Sep-18
Total number of shareholders as on the Cut-Off date	176,707
No. of shareholders present in the meeting either in person or through proxy:	
Promoters and Promoter Group:	6
Public:	1435
No. of shareholders attended through video conferencing	None
Promoters and Promoter Group:	
Public:	

Resolution No. 1: Adoption of Financial Statements along with the Reports of the Board of Directors and of the Auditors thereon.
Resolution required : Ordinary Resolution
Whether Promoter/ Promoter Group interested in the agenda/ resolution: No

Category	Mode of Voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of Votes- In favour	No. of Votes- against	% of Votes in favour on votes polled	% of Votes against on votes polled
		1	2	3=(2/1)*100	4	5	6=(4/2)*100	7=(5/2)*100
Promoter and Promoter Group	Remote e-voting	837,880,610	837,880,610	100.00	837,880,610	-	100.00	-
	Postal Ballot		-	-	-	-	-	-
	Total	**837,880,610**	**837,880,610**	**100.00**	**837,880,610**	-	**100.00**	-
Public- Institutional holders	Remote e-voting	501,062,995	379,999,916	75.84	379,868,324	131,592	99.97	0.03
	Postal Ballot		-	-	-	-	-	-
	Total	**501,062,995**	**379,999,916**	**75.84**	**379,868,324**	**131,592**	**99.97**	**0.03**
Public- Others	Remote e-voting	53,578,059	4,824,549	9.00	4,823,484	1,065	99.98	0.02
	Postal Ballot		1,221	0.00	1,220	1	99.92	0.08
	Total	**53,578,059**	**4,825,770**	**9.01**	**4,824,704**	**1,066**	**99.98**	**0.02**
Grand Total		**1,392,521,664**	**1,222,706,296**	**87.81**	**1,222,573,638**	**132,658**	**99.99**	**0.01**

NITYANAND SINGH & CO. * COMPANY SECRETARIES * NEW DELHI

Resolution No. 2: Re-appointment of Ms. Roshni Nadar Malhotra as Director liable to retire by rotation
Resolution required : Ordinary Resolution
Whether Promoter/ Promoter Group interested in the agenda/ resolution: Yes

Category	Mode of Voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of Votes- In favour	No. of Votes- against	% of Votes in favour on votes polled	% of Votes against on votes polled
		1	2	3=(2/1)*100	4	5	6=(4/2)*100	7=(5/2)*100
Promoter and Promoter Group	Remote e-voting	837,880,610	837,880,610	100.00	837,880,610	-	100.00	-
	Postal Ballot		-	-	-	-	-	-
	Total	**837,880,610**	**837,880,610**	**100.00**	**837,880,610**	-	**100.00**	-
Public- Institutional holders	Remote e-voting	501,062,995	398,656,372	79.56	347,975,772	50,680,600	87.29	12.71
	Postal Ballot		-	-	-	-	-	-
	Total	**501,062,995**	**398,656,372**	**79.56**	**347,975,772**	**50,680,600**	**87.29**	**12.71**
Public- Others	Remote e-voting	53,578,059	4,831,425	9.02	4,819,131	12,294	99.75	0.25
	Postal Ballot		1,221	0.00	1,220	1	99.92	0.08
	Total	**53,578,059**	**4,832,646**	**9.02**	**4,820,351**	**12,295**	**99.75**	**0.25**
Grand Total		**1,392,521,664**	**1,241,369,628**	**89.15**	**1,190,676,733**	**50,692,895**	**95.92**	**4.08**

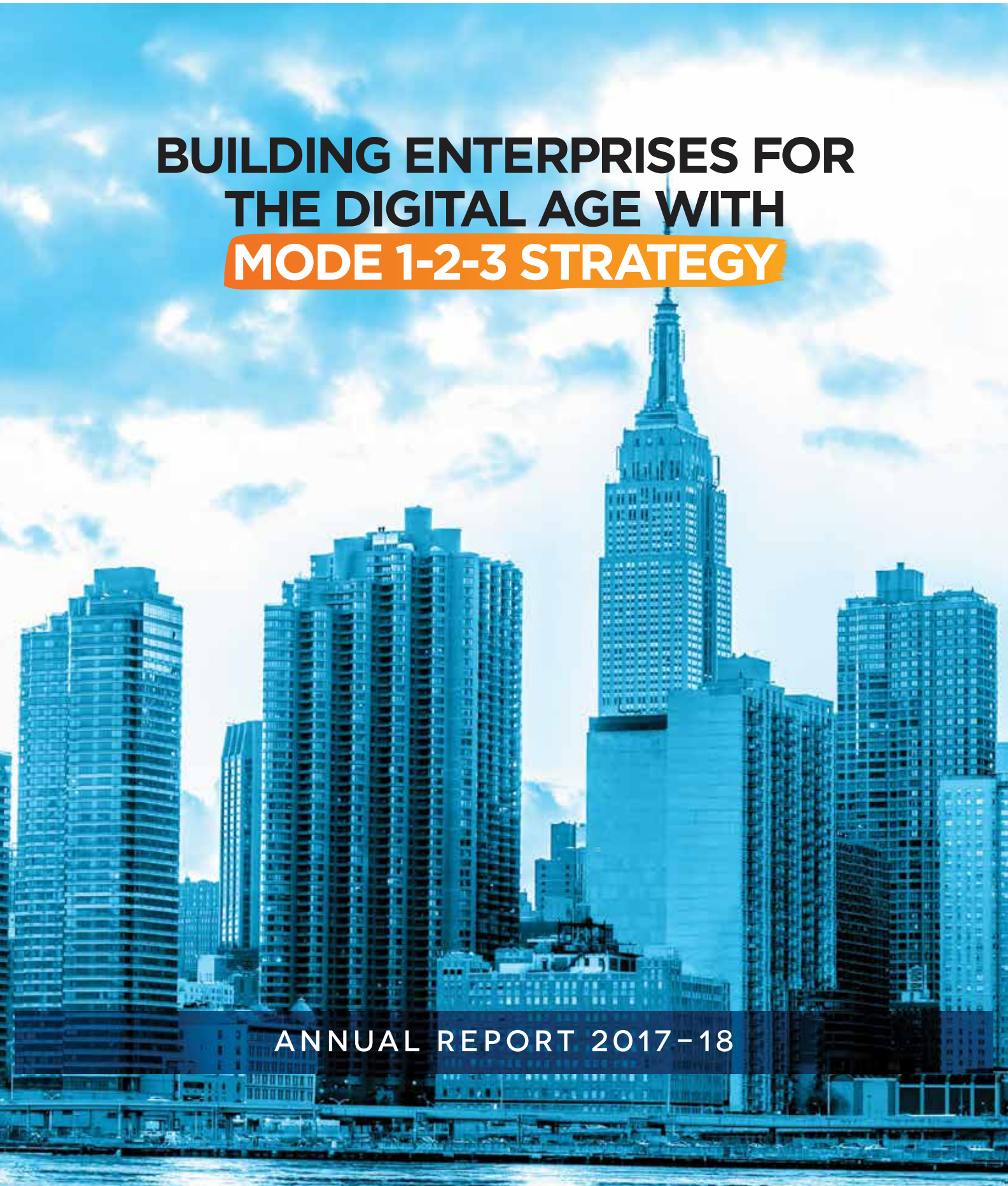
Resolution No. 3: Appointment of Mr. James Philip Adamczyk as an Independent Director of the Company
Resolution required : Ordinary Resolution
Whether Promoter/ Promoter Group interested in the agenda/ resolution: No

Category	Mode of Voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of Votes- In favour	No. of Votes- against	% of Votes in favour on votes polled	% of Votes against on votes polled
		1	2	3=(2/1)*100	4	5	6=(4/2)*100	7=(5/2)*100
Promoter and Promoter Group	Remote e-voting	837,880,610	837,880,610	100.00	837,880,610	-	100.00	-
	Postal Ballot		-	-	-	-	-	-
	Total	**837,880,610**	**837,880,610**	**100.00**	**837,880,610**	-	**100.00**	-
Public- Institutional holders	Remote e-voting	501,062,995	405,537,700	80.94	402,489,320	3,048,380	99.25	0.75
	Postal Ballot		-	-	-	-	-	-
	Total	**501,062,995**	**405,537,700**	**80.94**	**402,489,320**	**3,048,380**	**99.25**	**0.75**
Public- Others	Remote e-voting	53,578,059	4,831,180	9.02	4,829,930	1,250	99.97	0.03
	Postal Ballot		1,221	0.00	1,221	-	100.00	-
	Total	**53,578,059**	**4,832,401**	**9.02**	**4,831,151**	**1,250**	**99.97**	**0.03**
Grand Total		**1,392,521,664**	**1,248,250,711**	**89.64**	**1,245,201,081**	**3,049,630**	**99.76**	**0.24**

NITYANAND SINGH & CO * NEW DELHI * COMPANY SECRETARIES

WWW.HCLTECH.COM

HCL



BUILDING ENTERPRISES FOR THE DIGITAL AGE WITH MODE 1-2-3 STRATEGY

ANNUAL REPORT 2017–18

HCL

CONTENTS

Board of Directors	02
Management Discussion and Analysis	03
Directors' Report	34
Corporate Governance Report	88
CEO & CFO Certificates	121
Business Responsibility Report	122
Standalone Financial Statements	148
Consolidated Financial Statements	203
Statement under Section 129	266

HCL

BOARD OF DIRECTORS

MR. SHIV NADAR
Chairman & Chief Strategy officer

MS. ROSHNI NADAR MALHOTRA
Non-Executive Director

MR. SUDHINDAR KRISHAN KHANNA
Non-Executive Director

MR. DEEPAK KAPOOR
Non-Executive & Independent Director

MR. JAMES PHILIP ADAMCZYK
Non-Executive & Independent Director

MS. NISHI VASUDEVA
Non-Executive & Independent Director

MR. RAMANATHAN SRINIVASAN
Non-Executive & Independent Director

MS. ROBIN ABRAMS
Non-Executive & Independent Director

MR. SUBRAMANIAN MADHAVAN
Non-Executive & Independent Director

DR. SOSALE SHANKARA SASTRY
Non-Executive & Independent Director

MR. THOMAS SIEBER
Non-Executive & Independent Director

MR. C. VIJAYAKUMAR
President & Chief Executive Officer

MR. ANIL KUMAR CHANANA
Chief Financial Officer

MR. MANISH ANAND
Company Secretary

AUDITORS

M/s. S.R. Batliboi & Co. LLP
Chartered Accountants
Gurugram

BANKERS

1. **Citibank N.A.**
   Global Transaction Services
   Citigroup Corporate and Investment Banking
   17th Floor, 'M' Block Jacaranda Marg
   DLF City Phase II Gurugram – 122002

2. **Deutsche Bank AG**
   Corp. Office – DLF Square 4th floor
   Jacaranda Marg, DLF City,
   Phase – II, Gurugram - 122002

3. **The Hongkong and Shanghai Banking Corporation Limited**
   Major Corporates Group (MCG)
   Institutional Plot No. 68, Sector 44
   Gurugram - 122002

4. **State Bank of India**
   Corporate Accounts Group –II
   4th and 5th Floor, Redfort Capital
   Parsvnath Towers, Bhai Veer Singh Marg
   Gole Market, Near Speed Post Office
   New Delhi-110001

5. **Canara Bank**
   Prime Corporate Branch-I
   DDA Building, Plot No. 1
   1st Floor, Near Paras Cinema
   Outer Ring Road, Nehru Place
   New Delhi – 110019

6. **Standard Chartered Bank**
   2nd Floor, DLF Building No. 7A
   Sector 24, 25 & 25A
   DLF Cyber City Gurugram – 122022

7. **BNP Paribas**
   8th Floor, Sood Tower (East Tower)
   25, Barakhamba Road
   New Delhi-110001

8. **Bank of America N.A.**
   DLF Centre, 1st Floor
   Sansad Marg, New Delhi-110001

MANAGEMENT DISCUSSION AND ANALYSIS

Investors are cautioned that this discussion contains forward-looking statements that involve risks and uncertainties. When words like ‘anticipate,’ ‘believe,’ ‘estimate,’ ‘intend,’ ‘will,’ ‘expect’ and other similar expressions are used in this discussion, they relate to the Company or its business and are intended to identify such forward-looking statements. The Company undertakes no obligations to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or other factors. Actual results, performances or achievements could differ materially from those expressed or implied in such statements. Factors that could cause or contribute to such differences include those described under the heading ‘Risk and Concerns’ as well as factors discussed elsewhere in this report. Readers are cautioned not to place undue reliance on the forward-looking statements as they speak only as of their dates. The following discussion and analysis should be read in conjunction with the Company’s financial statements included herein, and the notes thereto.

INDEX

- **Accelerating the Journey towards New Horizons with an Innovative Mindset**
  - o Industry Overview
  - o HCL Strategy
- **Mode 1: Core Services**
  - o Applications Services
  - o Infrastructure Management Services
  - o Engineering and R&D Services
  - o Business Services
- **Mode 2: Next–Generation Services**
  - o Digital and Analytics Services
  - o IoT WoRKS™
  - o Cloud Native Services
  - o Cyber Security & GRC
  - o DRYiCE™
- **Mode 3: Products & Platforms**
- **Human Resource Update**
  - o Employee Strength and Expansion
  - o Talent Acquisition, Career & Learning Management
  - o Diversity
  - o Corporate Social Responsibility
  - o HR Awards – Recognition of HCL Culture & Engagement Practices across the world
  - o Compliance at HCL
- **Risks and Concerns**
  - o Regulatory Compliance Risk
  - o Business Continuity Risk
  - o Information and Cyber Security Risk
  - o Privacy Risk
  - o HR Related Risk
  - o Competition Related Risk
  - o Technology Related Risk
- **Performance Trend**
  - o Value Addition
- **Financial Performance**
- **Consolidated Results**
  - o Results of Operations
  - o Financial Position
  - o Cash Flows
- **Standalone Results**
  - o Results of Operations
  - o Financial position
  - o Cash flows

Accelerating the Journey towards New Horizons with an Innovative Mindset

Industry Overview

The new digital age is transforming enterprises and is altering how they operate in a fast-changing world. The key digital disruptions that are leading this transformation include automation, block chain, cloud, digital twins, Internet of Things (IoT), and artificial intelligence (AI). Enterprises today stand at the crossroads due to these disruptive technologies that promise to modify the business landscape forever. To stay relevant and be future ready, organizations must embrace the new wave of change so that they can ensure their offerings are best in class.

2018 is seen to be the year when AI will be at the core of business strategy. A significant leap towards AI is on the cards for large organizations that will be looking to deploy the technology across their entire value chain. Machine learning and AI solutions will propel effective organizations to become intelligent organizations through a data first approach . AI is set to revamp every industry be it Banking, Health, Manufacturing or Construction.

Most companies in the IT space have come to realize that new tech-driven models are fast gaining acceptance, making it imperative for business leaders to upgrade their skills. This has led them to invest proactively in "creative destruction" - the next logical step to thrive and survive.

HCL Strategy

21st Century enterprises cannot overlook the importance of continuous reinvention, the key to sustained competitive advantage in a constantly evolving business landscape. A three-lane "highway," **Mode 1-2-3** is at the core of HCL's strategy for HCL that will drive unmatched value and respond to changing industry dynamics in a timely and agile manner. The outcome and growth potential across the three modes differ distinctively.

Realizing this and in an attempt to stay ahead of the competition, HCL signed multiple transformational deals this year with companies whose offerings range across AI, cloud-native services, IoT, digital and analytics, cybersecurity, and governance, risk & compliances (GRC).

Under **Mode 1**, HCL continued to strengthen its core services and leveraged DRYiCE™, the automation and orchestration platform, to drive significant business outcomes for several global enterprises. Existing clients renewed engagements with the company and new deals were successfully closed in the financial year gone by. Hence, the attempt to increase market share since last year fructified into concrete results.

This year, we significantly invested in re-skilling and up-skilling our employees with Mode 2 and 3 offerings. The **Mode 2 strategy** revolves around stepping up the game and leveraging high-growth business opportunities.

HCL, leveraging its **Mode 3** strategy (revolving around monitoring trends influencing and shaping the future), was successful in filing new patents in next-gen technologies, adding and expanding existing IP partnerships, and developing the first XaaS service management system (as DRYiCE™ SX and XSM come together).

Our business leaders and technical talent have their minds focused on unlearning old concepts and relearning the new. They have realized the importance of evolving into interconnected specialists who are equipped with capabilities across domains. Conferred with awards, HCL has been recognized as a forerunner and innovative leader in the digital spectrum. Right investments backed by the delivery of value addition have propelled the company toward exponential growth and consequently the much-coveted leadership position.

We will continue to focus on upgrading our IT skills, driving new collaborations, and enabling efficient business processes. We are aware that to increase the relevance of our offerings and services, we need to thoroughly assess the vendors and their ecosystems. By enlisting the ingenuity of our talented workforce, we aim at maximizing our intellectual capital. While fostering a culture of Ideapreneurship™, where employees are encouraged to ideate, we want to empower them to deliver value beyond the contract. A long-term and mutually beneficial association with our enterprise customers is what we will continue to strive for.

Mode 1: Core Services

Under Mode 1, HCL delivers the core services in areas of Applications, Infrastructure, BServ and Engineering & R&D, leveraging DRYiCE™ Autonomics to transform clients' business and IT landscape, making them "lean" and "agile." Through Mode 1 services, HCL augments its clients' core capabilities, expanding their global footprint and consolidating existing operations.

Applications Services

The applications services market today is undergoing a massive transformation with a continual shift from systems of record to systems of innovation. Overall spend on traditional services has become stagnant, while growth is taking place in new technologies like the cloud, applications modernization, analytics, IoT, and digitalization. With our unique Mode 1-2-3 strategy, HCL offers a comprehensive suite of services that are flexible, scalable, and customized to meet your needs. HCL's alternative approach helps organizations make the right investments in the right solutions in parallel with key business objectives. HCL offers deep functional and technical expertise in complex application development and management,

systems integration and end-to-end horizontal capabilities in various categories, offering customers transformational value in the new world of enterprise applications.

HCL offers a full life cycle of consulting services and proven delivery capabilities, tailored to each client and the needs of specific industries and sectors. HCL's Applications business is structured around various integrated horizontal capabilities, allowing us to offer clients a unified approach in developing the right solutions for their business needs. We combine our core expertise and capabilities in each of these areas with extensive experience in industry verticals to provide powerful business solutions and systems integration capabilities which ensure that every one of our engagements adds transformational value to the organization in an increasingly digital world.

With HCL, customers get a fresh perspective and an alternative approach to enterprise environments. While traditional systems integration services remain critical with the shifting applications landscape, clients are now seeking partners that can also help them take advantage of emerging technologies and simplify their IT operations, while simultaneously reducing costs and investing in business growth.

Using end-to-end IT capabilities - from systems integration to application maintenance and support - HCL delivers value-driven solutions designed to help organizations maximize their return on investment, enhance business productivity and reduce the total cost of technology ownership.

HCL has a strong partner network and works with leading technology providers to deliver best-in-class solutions. Each business horizontal also works with niche partners to develop solutions in specialized technology areas. HCL helps its alliance partners to:

- generate incremental revenue growth through differentiated solutions and service offerings,
- extend market and geographic reach, and
- enhance their product and service offerings.

HCL recognizes the importance of investing in and developing strong intellectual property and offerings in new and emerging technology areas. In the Oracle space, HCL is working to further develop a go-to-market cloud strategy in alignment with Oracle's cloud transformation.

In the SAP space, HCL has been investing and building capabilities for SAP S / 4HANA, Hybris, and SAP Cloud Platform, apart from building industry-specific capabilities.

In January 2018, HCL signed a global reseller agreement with SAP SE where SAP will resell the HCL next-generation maintenance, repair, and overhaul solution under the brand name SAP® Enterprise Asset Management (SAP EAM), an add-on for MRO by HCL for SAP S / 4HANA®.

HCL was also identified as one of the strategic partners by SAP in its Global Partner Network to drive IoT business. We were also identified by SAP as one of the strategic partners for IoT blockchain.

HCL's delivery model integrates on-site business transformation consulting services with near and offshore technical development and support to make sure our clients receive the ideal systems integration solutions at the right price. With our offshore centers of excellence, we are able to accelerate implementation, while reducing the risks and costs associated with global deployment. Business and IT transformation is a result of our unique capabilities to merge our onsite and offshore capabilities seamlessly.

HCL's benefits-led approach allows us to recommend the best tools and solutions to meet an organization's needs, and incorporate best practices learned through years of complex engagements in systems applications consulting. We help organizations realize the true benefits of their technology investments by aligning IT service offerings with business goals and strategies.

HCL's Application Services business works with clients to drive business outcomes through large IT program delivery. We employ 12,500+ consultants and are established partners with leading enterprise application providers - SAP, Oracle, and Microsoft.

Our service portfolio covers design, build and run services:

- Global deployment
- Instance consolidation
- Fundamental cost reduction
- Target operating model transformation
- Benefits delivery
- Large program management
- Applications development and management

True Global Delivery

HCL operates as a single global organization, allowing us to deploy consulting teams that leverage proven industry and solution best practices from our offices and delivery centers around the world.

The HCL Difference

- Integrated service offerings for end-to-end global applications life cycle management
- Creative commercial models that allow business-aligned and outcome-based contracts
- Deep enterprise application integration solutions capabilities and skills across key industry verticals
- Capabilities of providing knowledge management

consulting services to leading global companies

- Business application consulting capabilities through extensive domain experience and technology expertise
- Global labs and innovation centers dedicated to transforming ideas into real-world solutions
- World-class partnerships across our core capabilities
- HCL's benefits-led approach

Recognitions:

- HCL has been positioned as a "leader" in the Gartner Magic Quadrant for SAP Application Services
- HCL has been positioned as a "niche player" in the Gartner Magic Quadrant for Oracle Application Services
- HCL has been positioned as a "leader" in the IDC Worldwide Microsoft Implementation Marketscape
- HCL has been positioned as a "major player" in the IDC Marketscape for Worldwide Cloud ERP Implementation Services 2017
- HCL positioned as "major player" in IDC MarketScape for Worldwide SAP Implementation Services Ecosystem 2016 Vendor Assessment
- HCL positioned in the Winners Circle for HfS Blueprint on Microsoft Dynamics
- HCL positioned as a "leader" in ISG Research Quadrant for ASM 2017
- HCL positioned as a "leader" in ISG Research Quadrant for Application Testing Quadrant
- HCL positioned in high performers' quadrant in HFS Blueprint Report on SuccessFactors Services

Infrastructure Management Services

Infrastructure Management Services (IMS) manages mission-critical IT environments for some of the largest and most forward-looking organizations in the world, including more than 20 of the Fortune 100 companies. With differentiated and well-defined value propositions, the best-in-class partner ecosystem, and pioneering automation solutions, IMS continues to retain its market leadership position in this space. HCL is widely recognized by the analyst community as a leading service provider and innovator in IT Infrastructure Management Services.

HCL's Next Generation ITO framework provides 21st Century Digital Enterprises with the technology backbone to help them operate with agility, run lean operations, and focus on customer experience – all critical success factors in today's fast-moving markets. With digitalization and IoT driving customer investment and playing critical roles in business success in the 21st century, Next Generation ITO enables "multi-modal IT" to support these new initiatives while running lean operations.

Powering the Next Gen ITO framework are 21st Century Blueprints for Datacenter & Cloud, Workplace Services and Networks which apply proven transformation levers across the entire IT infrastructure stack to maximize benefits of a secure enterprise cloud, create a modernized workplace that transforms employee productivity, enable internet-optimized highly available networks, and power lean and agile operations through DRYiCE™, HCL's Autonomics and Orchestration platform.

Key IT infrastructure service offerings which enable the Next Generation ITO include:

- **Next Generation Data Center and Cloud Services**: Powered by the 21CE Blueprint for Data center and cloud, these services enable transformation and operations of data centers for delivery of customer-facing and within-company applications and services. The 21CE Blueprint for the Data Center is focused on business outcomes, and has the cloud and automation at the core. HCL believes in making the data centers ready for digital transformation and supports the entire life cycle from DC transformation to modern data centers by enabling the latest technology and solutions like software-defined infrastructure, hybrid cloud architecture, hyper-converged infrastructure, running agile and lean DC operations through application of advanced autonomics and service orchestration leveraging machine learning, artificial intelligence, and cognitive solutions. HCL continues to invest in building industry-leading, differentiated tools for optimized cloud enablement, such as ElasticOps for Automated Hybrid Cloud Operations, HCL CART (Cloud Assessment Tool), HCL DPrizm (Digital Prizm), ElasticOps (Cloud Command Center – a specialized cloud migration, deployment, and operations center), and HCL MyCloud Portal for multi-cloud orchestration, self-service, and dynamic provisioning solutions.
- **Next Generation Workplace Services**: Powered by the 21CE Blueprint for Workplace, these services help organizations enable a modern digital workplace through a whole gamut of end-user computing services which focus on user experience, user empowerment, user engagement, secure productivity-on-the-go, and lean operations. With DRYiCE™-powered Automation enabling cognitive, artificial intelligence, and machine learning with self-help and self-healing to empower users and MyWorkplace ensuring secure information, application, and data access from any device and any location – HCL enables a workplace that is Gen Y ready. HCL's Digital Workplace Services include user profiling and enablement, service desk and global field support, remote / branch site optimization, hybrid messaging, social and collaboration services, enterprise mobile enablement, managed print

services, virtualization and desktop as a service, client application management services, and operating system (Windows 10, iOS, and Android) migration. These services emphasize personalization, collaboration, and mobility for a heterogeneous and data-driven employee experience that keeps employees satisfied, connected, and engaged globally.

- **Next Generation Network Services**: Powered by the 21CE Blueprint for Networks, these services enable a secure, agile, automated, efficient, and optimized network for organizations. By supporting our customers' transformation to software-defined networks (SDN) and network function virtualization (NFV) – we help them deploy secure, fast, and programmable networks which can scale and transform per changing business needs. These include life cycle management services that span strategy, design, implementation, and managed services across data and collaboration networks, and cover strategy definition, audit services, risk assessment and mitigation planning, policy definition and implementation, unified communication services, software-defined networks, and network services brokerage.

- **DRYiCE Autonomics and Orchestration**: HCL DRYiCE™ forms the Automation and Orchestration backbone of most of our 21CE Blueprint-powered services. With more than 40+ integrated modules featuring latest Autonomics technologies such as machine learning, cognitive, and natural language processing, predictive analytics, and artificial intelligence, DRYiCE enables the enterprise IT to be agile and efficient, bring self-service, dynamic provisioning, and proactive monitoring and management at the core of data center, employees and service desk agents to be more productive, and tackle higher-order tasks and networks to be self-healing and optimized. With service orchestration built in, actions can be triggered across complex processes and ecosystems to ensure that business reacts fast to changing conditions.

- **Enterprise Platform Services**: These services include the modernization of application platform infrastructure across application servers, middleware, and data platforms by adopting pattern-driven workload engineered systems and creating enterprise-grade PaaS (Platform as a Service), Big Data and high speed analytic platforms, and data lakes to be delivered across a hybrid cloud which leverages development operations and elastic infrastructure.

- **Business Services Management**: This includes the modernization of the management fabric for next-gen hybrid enterprises, covering unified monitoring, IT automation, IT operations analytics, and unified reporting. HCL offers its proven frameworks, such as MTaaS™ (Management Tools as a Service), MyCloud, AUTOPS (Automated Operations), and ITOPS (Analytics-based IT Operations), delivered as a hybrid SaaS (Software as a Service)-based platform, thus enabling rapid value optimization.

- **Service Integration and Management**: This includes the modernized orchestration of multiple service providers, cloud services, and outsourcing services across a common process-driven service integration platform, powered by HCL's GBPS (Gold Blue Print Solution). The solution enables a customer to have a unified enterprise service integration experience across applications, infrastructure, and the cloud. SIAM (Service Integration and Management) is at the heart of IT service integration as a company evolves toward Gen 3.0. HCL's SIAM model balances the demand and supply of service bandwidth to service consumers. HCL helps customers assess the right SIAM model, design and build the function using HCL's solution accelerators, and implement and integrate the services of multiple service providers.

- **Integrated Operations Services across Enterprise and Digital**: HCL's integrated operations service capability brings web-scale IT architecture into an enterprise. The HCL service offering combines several components, including an agile development operations-oriented support framework, a highly elastic and self-healing infrastructure, high levels of automation, cybersecurity practices, and an end-to-end performance management solution. This service offering is designed for the end-to-end IT operations of the digital side of large Global 2000 enterprises.

- **Technology Transformation Services**: These cover the entire range of technology infrastructure offerings. HCL has successfully delivered over 580 complex IT infrastructure, architecture, and operations transformations, and is increasingly acknowledged and recognized by Fortune 100, Fortune 500, and Global 2000 companies as a credible alternative to top-tier global MNCs.

HCL provides infrastructure management services to customers through a robust delivery network of service centers across the globe. HCL's infrastructure operations include the standardized management of over six million globally distributed IT assets and devices and over 20 million help desk contacts that support the needs of over 1.7 million business users in over 26 languages.

Snapshot –

- Services offered are primarily geared toward G2000 companies.
- Manages mission-critical environments for over 20 of the Fortune 100 companies.
- Offerings include: Next-generation data center and cloud

services, next-generation workplace services, business services management, next-generation network services, digital operations, information security and GRC services, enterprise platform services, service integration and management, cross-functional services, mainframe and AS / 400 management, and systems integration.

- Industries served include: automotive, banking and insurance, chemical, energy (oil and gas) and utility, consumer electronics, consumer products, hi-tech, independent software vendor (ISV), life sciences, healthcare, manufacturing, media, publishing and entertainment, retail, telecom, and travel, transportation and logistics, among others.

Recognitions:

- Leader, Gartner Magic Quadrant in the Data Center Outsourcing and Infrastructure Utility Services, 2017
- Leader, Forrester Wave™ for Next-Gen Infrastructure Outsourcing, Q4: 2017
- Leader, Everest Group PEAK Matrix for IT Infrastructure Automation, 2017
- Leader, Everest Group PEAK Matrix for Cloud Enablement Services, 2017
- Leader, Gartner Magic Quadrant for End-User Outsourcing Services, 2017
- Service Provider of the Year, Everest Group PEAK Matrix, Cloud and Infrastructure Services, 2017
- Winners Circle, Horses for Sources IT Infrastructure Management and Enterprise Cloud Services, 2017

Engineering and R&D Services

HCL's Engineering and R&D Services (ERS) is the largest Indian Engineering Service Provider (ESP), and partners with some of the most innovative and successful organizations in the world. With over four decades of experience of operating under complex multi-vendor environments and customer value chains, HCL seamlessly integrates with, and complements, customers' R&D activities.

HCL offers comprehensive engineering services and solutions in all aspects of product development and platform engineering. These services span hardware, embedded software, mechanical, VLSI design, PLM, and software engineering. Our clientele are leaders across several engineering industry segments such as telecommunications, aerospace and defense, automotive, consumer electronics, industrial manufacturing, medical devices, office automation, semiconductor, and ISVs. We successfully collaborate with innovation partners, universities, industry bodies, and manufacturing partners.

Over the past decade, HCL's engineering services have helped more than 300 organizations develop and launch market-leading products across various market segments. Today, HCL works with 63 of the top 100 R&D spenders in the world. Empowered by a deep engineering heritage, out-of-the-box thinking, and a solid foundation of talent, processes, systems, frameworks, and tools, HCL is a preferred engineering partner for global companies with its ability to drive significant business impact and value through accelerated product launches, improved engineering efficiencies, and adoption of new and disruptive technologies.

Today, HCL is a thought leader in emerging technologies such as IoT, digital platforms, product intelligence, Big Data analytics, accessibility, social media platforms, AR / VR, agile product development, and more. HCL encourages bold thinking and disruptive approaches needed to help customers outperform in a rapidly changing digital economy. HCL ERS engages technology enthusiasts through the CTO Straight Talk platform, a one-of-its-kind publication that features peer-to-peer knowledge and thought leadership, while providing a stage for industry leaders to connect.

HCL is constantly pushing the boundaries of technology and defining new and differentiated ways of offering industrialized delivery of engineering services. One such area is the suite of solutions which packages HCL's best practices, intellectual property, and accelerated frameworks into service offerings. These solutions speed up product development and reduce life cycle maintenance costs for customers. ERS has a strong innovation culture, resulting in IP and strategic innovations, while leveraging alliances, start-ups, and key academic research for co-creation with customers.

HCL's solutions cater to engineering needs across a company's product development life cycle and help customers address the challenges of accelerated product development, improved price-to-benefit ratio, and adoption of new technologies. HCL is heavily investing in developing solutions that can help clients quickly impact the overall product ecosystem.

HCL has continued to showcase its leadership in terms of service capabilities and scale of operations over a wide spectrum of industries. HCL is recognized as a leader by analyst firms in diverse domains, including automotive, consumer electronics, computer peripherals and storage, independent software vendor (ISV), consumer software, medical devices, semiconductor, cloud computing, enterprise mobility, and aerospace and defense R&D. HCL's investments in 80+ engineering labs (environmental compliance, certification, and benchmarking), 100+ client development centers and centers of excellence (in niche areas such as industrial design, high-performance computing, automation, etc.) have resulted in a complete ecosystem of comprehensive engineering services from concept to market for customer products and platforms across domains. Digital platforms need engineering rigor for development and HCL ERS has created a robust digital platform engineering business.

Recognitions:

- HCL positioned in the winner's circle in HfS Blueprint on Industry 4.0 Services, April 2017
- HCL has been recognized as a "major player" in IDC MarketScape: Worldwide Mobile Application Development and Testing Services 2017 Vendor Assessment, June 2017
- HCL has been positioned as a "major contender" in Everest PEAK Matrix for Independent Testing Services, May 2017
- HCL positioned as a "leader" in the Forrester Wave for Continuous Testing Service Providers Q3'17, July 2017
- HCL has been positioned highest among all competitors in HfS Blueprint report: Embedded & Semiconductor Engineering services, August 2017
- HCL positioned highest among competitors in the Everest PEAK Matrix for Software Product engineering services, December 2017
- HCL positioned as a "leader" in the Everest PEAK Matrix for Automotive engineering services, December 2017
- HCL positioned as a leading player in overall PES ratings in Zinnov Zonnes Product Engineering Services, November 2017. HCL has been positioned as a leading player in medical devices and aerospace verticals as well.

Business Services

HCL Business Services (BServ) has shifted the very grounds of operations outsourcing from cost optimization to technology-led digital operations of business services by reimagining cognitive automation at its core. Our strategy around digital operations is organized around transformation of two broad stacks - process architecture and technology architecture covering our three core tenets of 3-Lever BPM, orchestration, and autonomics. By leveraging these tenets, combined with our extensive domain expertise, we successfully address the challenges of 21st Century Enterprises. In the past few months, HCL BServ has created a differentiated edge in the industry by leveraging these tenets coupled with the best-in-breed partnerships with leading industry product vendors, creating a pool of trained experts, process libraries mapped across various business and enterprise functions, and investing across capability building both organically and inorganically.

HCL BServ provides technology-led digital business services to more than 100 clients across industries. These services enable clients to improve organizational processes, reduce costs, eliminate wastes, and create superior customer experience to Fortune 500 / Global 2000 customers.

With our focus on delivery excellence, our customized services translate into flexible and cost-effective solutions of the highest quality for customers. These are uniquely positioned to service customer requirements by leveraging quality processes and innovation, talented resources, self-sustaining process framework, and domain knowledge. With the state-of-the-art delivery centers across India, the US, Europe, Ireland, the UK, Latin America, and the Philippines, HCL BServ leverages its IGDM (Integrated Global Delivery Model) to provide customers with best-in-class services.

HCL's business process services span across banking and capital markets, insurance, life sciences and healthcare, telecom, media, publishing and entertainment, utilities, hi-tech and manufacturing, retail and consumer packaged goods and travel, and transportation and logistics across front, middle, and back-office processes.

The HCL BServ edge is a result of the following differentiating factors –

- **Enterprise framework for digital operations**
    - **3-Lever BPM** – Offering a consulting-led approach across the industry processes aiming at reducing waste, defining risk and control, and identifying the right scope of automation across business processes. Our 3-Lever BPM has provided us a competitive edge, helping us bag multiple deals in the past year beating all major automation service providers.
    - **Platform-driven integrated orchestration for digital workflows and multichannel integration** – Our proprietary orchestration platforms Toscana©, Datawave, SCORP, Impress, Alps, etc. optimize the process via auto work distribution, prioritization, exception and approval management, audit trails, compliance, and SLA management – thereby, driving efficiencies.
    - **Autonomics** – With the power of automation, artificial intelligence, and analytics, our DRYiCE™ Autonomics solution has the power of driving true business process simplicity through self-healing and self-service, eliminating waste and, thereby, enabling lean functions. Key components of our autonomics offerings include:
        - Robotic process automation – Our robotic process automation solution creates an ecosystem for rapid and scalable enterprise-wide RPA implementations with low capex requirements. Our RPA CoE, powered by rich industry process blueprints coupled with RPA use case library across verticals and horizontals, provides scalable plug-and-play toolkit for accelerated RPA journey.
        - Cognitive automation – In continuation with our digital journey, we launched our patented AI / NLP

cognitive automation product Exacto™, which has provided us an edge by creating more efficient processes across our customer's enterprise value chains. In the past few months, we have successfully demonstrated this capability by executing multiple PoCs / implementations with our key customers across various industry areas.

- Analytics – HCL BServ provides expert services that address the entire data life cycle from ingestion to insight.

- **Innovative engagement constructs** to suit individual client needs – Our collaborative and consultative engagement approach allows us to be flexible, while delivering high-impact changes. We have demonstrated the ability to create and execute highly customized constructs - ranging from joint venture (JV), carve-out, build-operate-transfer (BOT), assisted captive, hybrid, pure-play third-party outsourcing, and co-sourcing models. Our services capability has ensured regulatory compliance in various markets, while at the same time allowing clients an appropriate level of control and visibility across their outsourced operations.

- **Industry-specific offerings -** Leveraging our extensive domain expertise across various industry verticals and horizontal service lines, and the ability to bring in the right tools and technologies, HCL BServ has constructed various service propositions that are targeted at specific business challenges of 21st Century Enterprises. We bring a smart ecosystem of strategic partners who offer new-age and niche capabilities to the BServ industry, such as platforms, analytics, robotics process automation, cognitive computing, and artificial intelligence.

- **Collaborative models to co-create / co-innovate with clients –** HCL BServ is increasingly becoming strategic to its customers by co-creating through a global network of HCL co-innovation labs. We have recently set up a joint robotics development center with one of our leading banking clients in India. The center will enable bank's digital operations by leveraging cutting-edge automation solutions leveraging AI / ML technologies.

- **Integrated Model -** HCL's proprietary EFaaS™ (Enterprise Function as a Service) model offers an on-cloud solution for organizations looking to reduce their cost of enterprise functions. By reengineering business processes, the standardization of application platforms, and creation of shared service centers, HCL's EFaaS™ holistically transforms the clients' enterprise functions while significantly reducing the total cost of operations. Our ability to uniquely deliver services through the right commercial models - such as per-use, per-transaction, and per-subscriber payment models - helps reduce heavy, onetime setup costs, and accelerates outcomes for our clients.

- **Best-in-class tools, technologies, and platforms**

  - **HCL's DRYiCE™** Autonomics framework combines the power of orchestration and agility to deliver accelerated value through smarter automation. This framework incorporates multiple technology elements, such as Workflow BPM solutions, control definition for risk and compliance management, lean for waste elimination, robotic process automation for automating high-volume transactional processes, setting up automation CoEs, machine learning, natural language processing, and service exchange.

  - **EXACTO™** is HCL's cognitive automation-led point solution transforming legacy processes. Exacto™ is capable of interpreting information from variety of sources in the form of printed or handwritten text. The core of Exacto™ is an algorithm developed in collaboration with MIT which learns to automatically identify information using natural language and image processing. It can understand language-based objects which may either exist in isolation or embedded within an image.

  - **Orchestration tools / platforms -** Investing across platform-driven integrated orchestration for process digitalization and multichannel integration. Our key proprietary tools / platforms include Toscana© (BPM platform), ALPS (Insurance platform), Scorp (SCM platform), and Impress (Content Creation and Management platform).

- **Alliances / M&As to fill in strategic gaps –** HCL BServ follows a cohesive inorganic strategy to align its inorganic efforts and create service lines with strong competitive edge via capability and / or capacity acquisitions. We have acquired and successfully completed the integration of Urban Fulfillment Services (UFS), a prime mortgage service provider in the US. Acquisition of UFS has strengthened our capabilities in the mortgage, loan fulfillment, and debt-servicing space by acquiring licenses and underwriting capabilities across all 50 US states.

Recognitions:

- HCL Awarded Best RPA Implementation in Supply Chain

Management at Asia Outsourcing Leadership Awards, 2018

- HCL Awarded Excellence in Automation at CMO ASIA Presents - Asia Outsourcing Excellence Awards, 2017
- HCL Business Services wins the BPM Asia Master Award at the BPM Asia Conference, 2017
- HCL Business Services has been conferred with the NASSCOM Customer Excellence Awards 2017 in 'return on investment' category
- HCL is positioned as a "leader" in Zinnov Zones for Robotic Automation Services, 2017, According to Zinnov, "HCL's strong robotic automation capabilities are evident from their broad solutions portfolio including iAutomate - automated workflow creation solution, OptiBot™ - troubleshooting through virtual bots, Lucy - for service desk and cloud support queries as well as their DRYiCE™ framework. Continued focus on co-innovation with clients as well as their ability to leverage a deep network of technology partnerships with vendors such as Blue Prism, Automation Anywhere, Pega, IBM Watson, etc. has enabled HCL to emerge as one of the leading service providers in the ratings."
- HCL is recognized as a "star performer" in Mortgage BPS in Everest Group's report "Mortgage BPO – Service Provider Landscape with Services PEAK Matrix™ Assessment 2017"
- HCL is recognized as a "star performer" in Capital Markets BPO in Everest Group's report "Capital Markets BPO – Service Provider Landscape with PEAK Matrix™ Assessment 2017"
- HCL is recognized as a "major contender" in healthcare payer BPO in Everest Group's report "Healthcare Payer BPO – Service Provider Landscape with Services PEAK Matrix™ Assessment 2018"
- HCL is recognized as a "major contender" in Everest Group's report "Finance and Accounting Outsourcing (FAO) – Service Provider Landscape with PEAK Matrix™ Assessment 2017"
- HCL is recognized as a "major contender" in Everest Group's report "Healthcare Provider BPO Service Provider Landscape with Services PEAK Matrix™ Assessment 2017"
- HCL is recognized as a "major contender" in Business Process Services Delivery Automation in Everest Group's report "Business Process Services Delivery Automation (BPSDA) – Service Provider Landscape with PEAK Matrix™ Assessment 2017"
- HCL is recognized as a "major contender" in Contact Center Outsourcing in Everest Group's report "Contact Center Outsourcing (CCO) – Service Provider Landscape with PEAK Matrix™ Assessment 2017"
- HCL is recognized as a "major contender" in Everest Group's report "Procurement Outsourcing (PO) – Service Provider Landscape with PEAK Matrix™ Assessment 2017"
- HCL is recognized as a "major contender" in Everest Group's report "Banking BPO – Service Provider Landscape with PEAK Matrix™ Assessment 2017"
- HCL is recognized as a "major contender" in Life Sciences BPO in Everest Group's report "Life Sciences BPO Service Provider Landscape with PEAK Matrix Assessment 2017"

Mode 2: Next-Generation Services

Under Mode 2, HCL delivers experience-centric and outcome-oriented integrated offerings of Digital and Analytics, IoT WoRKS™, Cloud Native and Cybersecurity,.

Digital and Analytics Services

Overview

HCL's Digital & Analytics services is one of the fastest-growing, large enterprise-focused digital transformation practices in the industry. HCL has helped large and complex enterprises across the world in banking and financial services, retail and CPG, healthcare, manufacturing, and others with their digital transformation journeys over the past few years. We help our customers discover and rethink their business processes to refurbish user experience and operational efficiency journeys.

We believe that every enterprise has a unique DNA, which can be amplified by the true power of digital and analytics. After building powerful, immersive, as well as experiential, platforms and infrastructure for a host of global customers, HCL understands that digital is a journey into fundamental business transformation that begins with reimagining existing business processes and user experiences. This is the reason HCL has developed a world-class digital consulting and process transformation practice with access to co-innovation labs across three continents. Moreover, HCL has templatized industry process-led transformation pathways. While processes and experiences are reimagined with the power of design thinking, the magic is truly realized through digital platforms and applications services. Armed with over a decade of experience in building modern API-led applications, we are building business-critical, flexible, and extendable micro-services-based lightweight digital solutions. This makes business transformation a reality. Business analytics services provided by HCL help customers maximize the value they derive from

the data available - be it to transform customer experiences or to increase process efficiencies. HCL supports complete data life cycle for the customers through a comprehensive system for the most common data platforms and tools.

We have deep and strategic partnerships with digital technology providers such as Adobe, MuleSoft, Appian, Pega, AWS, Apigee, Hortonworks, Cloudera, and others. In our journey of working with customers, we don't just deliver services, but also co-innovate with them through investments into labs, and new areas of technology (AI, blockchain, etc.). Our core framework, DIGITAL TECHNOLOGY FOOTPRINT™ (DTF), addresses the technology needs of enterprises on the journey to digital transformation. DTF aligns and integrates cross-functional services, competencies, tools, technologies, partnerships, and talent from across HCL to offer a catalog of services.

Our breadth and depth of service offerings and unique go-to-market approach has propelled us to greater heights this financial year. Some of the key highlights include:

- **Double-digit growth in Digital Services**: HCL's Digital & Analytics services chalked a healthy double-digit growth this fiscal year with several notable new customer wins as well as increasing momentum with existing customers as the digital transformation partner. Heading into the new fiscal year, we expect this momentum to continue based on the bookings generated in FY17-18 and a healthy pipeline heading into FY18-19.
- **Growth in all sectors and notably so in CS, LSH, FS and Utilities**: Key drivers for revenue growth in HCL's Digital & Analytics practice have been several customers from the consumer services, life sciences, financial services, and utilities sectors. While Digital & Analytics has also gained momentum in other industries, the aforementioned sectors have contributed to bulk of the growth in FY17-18.
- **Increasing demand and traction in Europe, especially for larger scale digital transformation**: Europe has led the way in FY 17-18 with enterprises choosing to engage Digital & Analytics for large-scale digital transformation initiatives and contributing to addition of several new customers. In North America and Asia, expansion in existing customers has been the main revenue driver.
- **Existing HCL clients now see Digital & Analytics as a differentiated and innovative player in the digital space and engage HCL accordingly**: Increased Digital & Analytics penetration in existing HCL customers has been another contributor to FY17-18 growth and we expect this to continue in FY18-19. To this end, D&A's focused account strategy has yielded benefits in FY 17-18.
- **Continued investment in innovation around blockchain, artificial intelligence, and composable digital systems**: In FY17-18, Digital & Analytics saw renewed interest from customers in blockchain and artificial intelligence use cases. We have been designing and implementing innovative solutions in these areas for our customers. Machine learning in particular has been the most popular sub-field of practical interest this year. On a broader basis, customers really liked Digital & Analytics' differentiated approach to solving complex digital transformation problems using "composable" digital architecture. This approach has been adopted in several large FS, CS, and transportation customers in FY18.
- **Investments in digital showcase and co-innovation labs in the US, Europe, and Asia**: Digital & Analytics continued to improve and expand its digital showcase and innovation labs' footprint in the US, Europe, and Asia. This expansion will continue in FY19.
- **Integration of Datawave ecosystem into the Digital & Analytics portfolio**: Digital & Analytics completed the successful integration of the Datawave acquisition into its business. Datawave has continued to build momentum in its data integration and analytics business with existing clients.
- **Adobe Premier Partnership**: HCL America was recognized as a Platinum Partner by Adobe with three specializations. We became only the second partner to achieve this status with Adobe.
- **Inorganic strategy**: In FY18-19, Digital & Analytics will continue to augment and expand its capabilities through strategic investments and acquisitions.

Recognitions:

- HCL has been rated as a "leader" in all six 'Application Services' related quadrants by ISG, including End-to-End ADM and Agile Application development and DevOps
- HCL has been rated as a "leader" in Everest group peak matrix for Application Modernization Services
- HCL has been positioned in the Leadership Zone for Zinnov Zones Digital Services
- HCL has been rated in the winner's circle in HfS Blueprint on ADM services
- HCL has been positioned as a "major contender" in Everest group peak matrix on Digital Services
- HCL has been rated as "leader" in Digital Transformation Services by Nelson Hall

IoT WoRKS™

IoT WoRKS™ is a business unit of HCL Technologies dedicated to help organizations maximize returns on their asset investments through IoT. The solutions HCL's IoT WoRKS provides enable creation of more efficient business processes, new revenue streams, and eventually architect IoT-led business transformation.

IoT WoRKS™ provides end-to-end IoT services for organizations across a defined three-phase approach – Define - Build - Run. The business unit enables these offerings leveraging IoT COLLABs based out of the US and India, HCL's global delivery locations, and IPs from more than a dozen technology and domain partners. Our unique solutions like asset performance management, remote services platform, active grid management, patient safety platform, and track and trace help businesses IoT-ize their asset bases fast and realize business benefits.

Wins

- HCL has won a contract from one of the largest aircraft OEMs to create an IoT platform for their next generation of aircrafts. This IoT platform will help minimize unplanned maintenance, improve cabin experience for passengers through data analytics, and help create efficiencies for airlines by optimizing total number to cabin crew members needed during flight operations.
- HCL has entered into a strategic partnership with a global pharmaceuticals leader to help transform its energy management process. As part of the engagement, HCL will create an interactive IoT platform which will track energy consumption of its HVAC, air handling units, and chiller systems. The platform will combine this data with data from occupancy of buildings, temperature, and humidity and optimize these systems through data analytics and machine learning.
- HCL has engaged with a multinational food making-equipment manufacturing company to help it develop its next generation of IoT-ized equipment. These smart connected products will improve the experience for kitchen workers, help provide better aftermarket services and support, and provide significant operational efficiencies to the equipment buyers. HCL will provide design services for the controllers and sensors, create gateways for cloud connectivity, create core IoT platform, and establish use cases to improve equipment performances.
- HCL is enabling the customer in its IoT-led transformation journey through technology consulting and execution services. The data scientists and SMEs based out of IoT COLLAB are helping the customer utilize the in-premise track-and-trace solutions. As part of the contract, HCL will:
    1. Provide recommendations on sensor hardware, platform, and tolling options through optimal benchmarks
    2. Finalize application, analytics requirements, and data aggregation components
    3. Develop and implement systems for reporting and dashboards
- HCL has won a contract with one of the largest aircraft OEMs to create a digital platform that will help it achieve better regulatory compliance. This data platform will guide the airlines to achieve better compliance to aircraft maintenance-based regulations and ease filing and paperwork overhead. As part of this contract, HCL will create the core digital platform with natural language processing capabilities to understand and address existing regulations.

COLLAB and Solutions Portfolio

IoT WoRKS has seeded a one-of-a-kind engagement with a global aerospace company to create an IoT-led next-generation cabin experience platform. In this engagement, HCL will provide some services in a unique **lab-as-a-service model** from the Redmond COLLAB.

HCL COLLABs (IoT labs) in Redmond and Noida witnessed a >100% jump YoY in unique customer visits and workshops from customers and partners in JFM2018. During these visits, more than 10 unique solution demos were showcased, including HCL Track & Trace, blockchain-based Coldchain solution, Worker Safety Solution, and HCL Predictive Maintenance Solution.

HCL's solutions and IP-led go-to-market strategy is showing success and building momentum in the market as IoT WoRKS' solution sales pipeline has grown 5X of the average of previous four quarters. This also indicates a ramp-up of nonlinear revenue growth assisted by lab-based innovations.

In a unique engagement done out of the IoT COLLAB, HCL is providing its flagship IoT Define Services (IoT Consulting) to a 3PL supply chain leader to improve its existing distribution processes.

HCL has become the first partner to market InGRID Active Grid Management (AGM), Indra's monitoring and control platform for actively managing electrical grids, integrating distributed energy resources and managing new services.

Engagement updates

- HCL completed the first phase of an Industry 4.0 project for a global toy manufacturer. This phase involved Industry 4.0 Maturity Assessment of client's manufacturing operations

and benchmarking followed by IoT roadmap development.

- HCL has entered into a strategic partnership with an American multinational pharmaceutical, medical devices, and consumer packaged goods manufacturer to drive product development operational efficiency through IoT. HCL will implement IoT technologies and data visualization for environmental chambers which are used to develop and manufacture products under carefully controlled conditions. The accurate recording of conditions will improve overall quality management of the product, driving efficiency.
- After successful completion of consulting engagement on authentication, authorization, device on-boarding process, and guidelines for IoT gateway selection, phase 2 of the project has been successfully finished in JFM 2018. Project scope included monitoring of a Paintbox in customer's facility and co-relation of real-time operational parameters (temperature, humidity, pressure) with overall painting quality.
- For a global medical technology company, HCL IoT WoRKS implemented an IoT platform to predict propensity of equipment failure. The platform connects sensors, servo motors, and cloud platforms to capture, collect, and analyze data from equipment operations and generate actionable insights.
- HCL is working with a global medical devices leader to help create a cloud-based IoT platform and transition to it from its current on premise data platform. This IoT data platform will connect with various cardiac health monitoring devices and enable doctors to understand how heart medications are impacting the patient.
- HCL has engaged with a global smart lighting solution provider to scale their Remote Operations Center (ROC) services further. This will help the client manage multiple platforms and provide a consolidated operations framework, thereby optimizing and providing faster response to end customers. This is the next level of engagement with this client with which HCL engaged in CY2017 to create the ROC.
- IoT WoRKS is working with a global medical technology company to enable advanced data analytics-led intelligence gathering from its patient monitoring devices. As part of this IoT project, HCL also worked on development of licensing server portals that controls flow of patient's identified diabetic data to third-party systems for analytics.

Recognitions:

Recognized as a market leader in IoT by all leading analyst firms, IoT WoRKS™ continues to strengthen its leadership position in the fast-growing global IoT services and consulting market. Recognitions of IoT WoRKS™ as the front-runner in the field of IoT continues for its end-to-end IoT capabilities. This is sustained and developed with significant investments in a global team of experts and the supporting lab.

Cloud Native Services

"A Cloud State of Mind enables a holistic view of all cloud benefits"
HCL's Cloud Services unit makes that happen by offering a full spectrum of Cloud Native services under one umbrella. Consulting, migration, implementation, and operations services offered by the Cloud unit are part of HCL's strategically important Mode 2 services. Operating directly under the CTO, this unit focuses on providing experience-centric, outcome-oriented technology and solutions that lay the foundation for a 21st Century Enterprise. The Cloud unit works with all HCL service lines and verticals to enable organizations to drive agility, accelerate innovation, and create more responsive IT organizations.

The services offered covers the complete cloud cycle starting with cloud consultancy. HCL's strong consulting and assessment experts, leveraging proven methods and frameworks that include the flagship automated application assessment tool D-Prizm, will ensure that the digital-led business transformation efforts are guided by a strong cloud foundation. The XaaS ecosystem services, which provide cross-platform certified expertise and tools, technologies, and partnerships to provide our customers' application and infrastructure portfolio the most effective path to achieving the "Cloud State of Mind." This path can include SaaS migration, replatforming ISVs, enabling digital and analytics applications on robust PaaS platforms, application re-platforming and reengineering, and native cloud development and building portable cloud connected platforms for IoT. The Cloud Services unit also enables robust cloud operations through ElasticOps - powered by the award-winning DRYiCE™ Autonomics and Orchestration framework. Strong AI-enabled automation significantly simplifies complex multi-cloud operational environments, enabling enterprises to maximize the benefits from their cloud footprint.

Key Highlights from FY18 include

- Booked 20+ deals displaying key cloud native skills
- Won substantial end-to-end deals displacing current incumbents from their key accounts
- Set-up and operationalised SaaS consulting team focussing on HRM and SCM

Focus on Partnerships:

Azure: HCL achieved the Microsoft Azure MSP status. This status is a validation of our competencies, customer success, extensive training programs, and expertise across people, process, and technologies. HCL's ElasticOps is now certified by Microsoft as a managed services partner and a cloud

delivery center, relevant, and capable of managing complex cloud environments.

AWS: HCL achieved AWS premier consulting partner certification. This citation is an attestation of our skills at cloud infrastructure and application migration. HCL is the launch partner for AWS storage competency, and the only GSI to be the launch partner. HCL Cloud Managed services entity, ElasticOps, was successfully audited by AWS and a third party as competent global MSP.

Mesosphere: HCL entered into a partnership agreement with Mesosphere, data center infrastructure and container orchestration company, targeting the global cloud and container infrastructure management market. In partnership with Mesosphere and Microsoft, HCL launched the ContainerizIT solution, a container migration offering, enabling migration of legacy applications to Azure.

Pivotal: HCL recently signed a strategic partnership with Pivotal. This collaboration will accelerate the Cloud Native journey for large enterprises. A joint vision with Pivotal to transform the way the world builds software and enable organizations to drive agility, accelerate innovation, and create more responsive IT organizations. Under this partnership, HCL has created class-leading capability in Pivotal Cloud Foundry and associated modernization and transformation services.

Key areas of focus and strategy moving forward:

- Build the most innovative and competitive 'XaaS Ecosystem', and expand our IP / products to help differentiate our cloud offerings in a crowded market
- Core focus on unified cloud consulting and assessment frameworks for Cloud Native advisory and design
- DRYiCE is a pan-HCL automation initiative with core cloud components
- Ensuring cloud ROI for our customers through automated operations
- $100M of investment / 200+ strong engineering team, cloud operations Automation and Orchestration
- Automate the complete life cycle of cloud service delivery leveraging HCL DRYiCE platform
- Cloud Native modern apps build to be the key focus
- Investment in strengthening the core partnerships like AWS, Azure, and Pivotal
- Launch the AWS and Azure academy to train 5000+ resources and build large-scale capability pool on cloud platforms

HCL's Cloud Services unit brings the power of cloud to the enterprises by bringing agility, automation, efficiency, security, and resiliency to help them get closer to their customers and compete more effectively.

Recognitions:

- ISG Research Quadrants on Public Cloud (US specific) has rated HCL as "leader" in three quadrants:
  - Public Cloud Managed Services
  - Public Cloud Brokerage / Aggregator Services
  - SAP Managed Services
  - a Product Challenger and Rising Star in Public Cloud Infra Consulting & Implementation Services
- HCL has been rated a "leader" in the first-ever cloud enablement services PEAK matrix assessment by Everest Group
- HCL rated as a "visionary" in the Gartner Public cloud MQ
- HCL has been positioned as a "major player" in the IDC MarketScape for worldwide Cloud ERP Implementation services, 2017

Cybersecurity & GRC

HCL Cybersecurity & governance, risk and compliances (GRC) is an integral part of HCL's Mode 2 strategy. With organizations increasingly exposed to the threat of breaches as well as the rapid changes in technology trends such as cloud, digitalization, IoT, data protection and regulatory compliances, an enterprise's need for cybersecurity, GRC and effective business continuity capabilities becomes all the more critical. Thus, customers need an experienced and mature cybersecurity partner who drives business growth as well as keeps the organization compliant to business and regulatory compliances.

Our Cybersecurity and GRC business is very well poised to fulfill the full spectrum of services required to meet the threats and vulnerabilities across all verticals and protect the 360-degree landscape of a customer across IT and cyber-connected systems. Our **Dynamic Cybersecurity framework** helps our customers move from a "static" to a "dynamic" posture to deal with an ever-escalating threat landscape, offering full spectrum of services:

- Strategy and architecture
- Transformation and integration
- Managed services

and to develop an evolving posture across all domains of security:

- Infrastructure and cloud security
- Application security
- Identity and access management
- Governance, risk, and compliance
- Disaster recovery and business continuity planning

covering workplace, mobile, application, data center, cloud, and IoT systems using well-proven frameworks and solutions built on a strong foundation of industry standards.

With over 3,500 dedicated security professionals, multiple cybersecurity fusion centers spread across the globe which have cognitive and global threat intelligence built into them, and 40+ global delivery locations, HCL's Cybersecurity and GRC Services protect some of the world's largest companies across industry verticals and geographies. From strategy, architecture, and consulting services to system integration and managed security services, HCL as a partner can help clients build a future-ready, secured enterprise.

Recognitions

- HCL is rated as a "major" player in IDC MarketScape: Worldwide Managed Security Services 2017 Vendor Assessment
- HCL has been rated as a niche player in Gartner's Magic Quadrant for MSSP (Managed Security Services Provider), February 2018
- HCL rated as Major Contenders in Everest PEAK Matrix™ Assessment: "Security – The Biggest Digital Insecurity," August 2017
- HCL won GRC Journey Partner Award for Customer Engagement at MetricStream GRC Summit, held on November 6-7, 2017 in London
- An exclusive note was released by ISG Research on HCL's Cybersecurity & GRC Strategy and Services, August 2017

Mode 3:

DRYiCE™

DRYiCE – Enterprise AI Foundation leverages the world's best A.I. technology to enable Enterprises to operate leaner, faster and with more efficiency, while ensuring superior business outcomes in terms of experience, speed and agility. DRYiCE cuts across HCL's strategic Mode 1-2-3 approach. It acts as a key differentiator by bringing in automation for Mode 1 services. Our Mode 2 services are increasingly leveraging DRYiCE to bring in agility & unified experience. DRYiCE is also a key part of Mode 3 products & platforms business, where it is reimagining enterprise with the power of A.I.

DRYiCE launches the world's first & only integrated **A.I. led service assurance platform,** with the vision of simplifying & transforming enterprise IT operations. The platform drives predictability, visibility, control and effectiveness for enterprise IT in the digital era through a full-blown architecture defined by 5 unique layers – iSense, iHeal, iOrchestrate, iVisualize, iEngage. Our cutting-edge platform was developed leveraging 20+ years of complex global operations management experience across 500 customers, and is supported by an extensive partner ecosystem and Centers of Excellence across the globe.

Information about layers - 'iSense' layer is about real-time monitoring of enterprise systems, applications, infrastructure, network, security et al. within the enterprise environment and acting appropriately basis the data generated. 'iHeal' utilizes machine learning, neural networks to make sense of the data generated within the enterprise and trains the enterprise systems to take decisions to prevent potential threats. 'iOrchestrate' ensures modernized service consumption through end-to-end automation & orchestration. 'iVisualize' provides A.I. powered analytics and powerful insights by ingesting data and presenting in a real-time unified dashboard. 'iEngage' is all about providing superior user experience using NLP powered virtual assistants and smart collaboration.

Awards & Recognitions:

1. DRYiCE is positioned as a leader in Everest Group's Peak Matrix for solutions: IT infrastructure services automation (April 2017)
2. DRYiCE is positioned as a Leader in Zinnov Zones for Robotic Automation Services (April 2017)
3. DRYiCE was awarded the AIconics award for 'Best Innovation in RPA' at AI Summit'17.
4. DRYiCE has been awarded the prestigious President's Award for 'Service Delivery & Automation' for Innovation and Excellence at The Open Group Awards '18.
5. DRYiCE launches the world's first & only integrated **A.I. led service assurance platform,** with the vision of simplifying & transforming your enterprise IT operations.

Products & Platforms

Since the inception of our Products & Platforms division in September 2016, we have made great progress. We remain steadfast with our strategy and philosophy that laid the foundation for innovation and growth of our business. Revenue is strong and growing. Innovation is starting to materialize in the form of new products as we begin to launch a series of HCL-branded products.

HCL's strategy is to build upon the core strengths of HCL's services businesses - helping enterprises with solutions across DevOps, Automation, Application Modernization, Security, and Data Management. HCL embraces the real-world complexity of multi-mode IT that ranges from mainframe to cloud and everything in between, while focusing on customer success and building 'Relationships Beyond the Contract.'

HCL seeks to acquire and develop products not only from categories mentioned above that complement HCL's existing businesses, but also products with large user bases and high profitability. Many of these products are mature, but HCL believes they can achieve more interest and growth with additional investments and energy. Investments in R&D, technical resources in the field, and sales and marketing will enable us to

drive greater innovation for the products, which in turn will yield more mindshare and usage, and ultimately higher revenues.

HCL continues to build a world-class software products business based on four primary principles. Some of these principals are aspirational, but all are guidelines on how HCL approaches its unique business.

- **Core high-value, battle-tested enterprise class products** – at the foundation are quality products
- **Blending software + services to deliver solutions** – we blend HCL core competencies of service to deliver high-value solutions to our customers
- **Easy to work with and aligned with customer success**– we want to be easy to work with to offer our customers a positive experience unlike many incumbent software vendors
- **Practical innovation** – we strive to energize, modernize, and offer innovate strategy to our products and our offerings

With HCL's expanded product capabilities and reach, it was important for us to reorganize our teams to best position ourselves for success. HCL has organized new additions and existing products into five complementary categories to better run our development teams and provide synergies for our customers:

- **DevOps** – Development operations and security tools
- **Automation**– Workload automation and edge management
- **Data** – Data platforms, data integration, and customer and marketing data
- **Mainframes**– Application modernization and mainframe tools
- **Collaboration** – Collaboration workflow and productivity applications

AppScan Standard, Test Workbench, and Workload Automation fit within the DevOps (or DevSecOps) framework of enterprise IT's software development lifecycle, while Informix and HIP enhance customers' data and integration infrastructure. Design Room Live! is a brand new web-based offering for global software development collaboration.

HCL reached a major milestone in launching a series of HCL-branded products, the first of which was HCL Informix on amazon web services (AWS). This product is a derivative of the Informix product in which HCL has an IP partnership.

Following HCL Informix on AWS, HCL launched six other products:

- HCL AppScan Standard: A desktop version of security detection for application development
- HCL Design Room Live!: A web-based collaborative modeling environment for globally distributed teams
- HCL Informix: An embeddable data platform for IoT and Cloud
- HCL Integration Platform: The heart of any data integration project
- HCL Test Workbench: An automated software development testing suite
- HCL Workload Automation: An automated software development testing suite

At the time of the launch, these products are also available as Managed Services Edition (MSE) for our HCL services teams to incorporate into the solutions they develop and deliver to clients. These products provide competitive advantages for HCL and unique benefits to customers as the development team for these products and services team for the solutions are under "one roof."

Human Resource Update

1. **Employee Strength and Expansion**

   HCL Technologies at its current employee strength of 1,20,000+ continues to deliver an industry leading revenue per employee. HCL continued its focus on talent localization strategy in global locations, a strategy adopted a decade ago, ahead of the market. This has paid rich dividends in an era of strong emphasis on talent localization. Our operations in tier-2 cities in India like Madurai, Lucknow, Coimbatore, Vijayawada and Nagpur house close to 6,900 employees.

   In FY18, human resource function continued to build on its organization strategy of Mode 1, 2 and 3. Our various initiatives were focused to simplify HR function, impacting entire hire to retire cycle, enhancing employee experience by delivering distinctive people practices. HR function collaborated with business for enhanced business value addition by driving operational efficiencies and effective organization design.

2. **Talent Acquisition, Talent Development & Career Management**

   HCL talent acquisition & talent management practices are aligned to our Mode 1-2-3 strategy. We have leveraged Digital technologies to enhance the quality and experience of our Talent Acquisition, Talent Development and Career Management programs.

   Talent Acquisition

   With an impressive gross hiring of about 33,700 professionals across the globe, we leveraged artificial intelligence & data science to hire the right talent at the right time. We deployed "Intelligent Neural Network" engine that searches through the database of a million+ candidate records & supports our talent acquisition along with prescriptive insights.

Training / Talent Development

HCL believes LEARN.. UNLEARN... RELEARN is a continuous process, and it will bring in new models of employment and force organizations to rethink Future of Work and Workplace.

We shifted focus on enhancing the business value through increasing passion, proficiency and value by enabling our employees to drive Performance, Productivity and Innovation. Our training approach at client and business line level has helped our employees to proactively identify training needs and deepen their skills in new technologies.

- Last year our employees invested 1.6 million hours in training to enhance and learn new skills resulting in training of over 70,000 unique employees
- Over 15,000 employees were trained on digital skills

Talent Development's prime focus is to enhance the behavioral and leadership competencies of the Individual Contributors, Managers & Leaders.

In alignment to our Mode 1-2-3 strategy, Talent Development at HCL is committed to incorporate the next-gen skills and competencies to our employees. Our research with globally benchmarked vendors, L&D associations & research agencies led us to identify the new age competencies practiced industry wide and capability development initiatives that align to Individual and Managerial Development.

Career Management

Career Connect 2.0 is a prescriptive career recommendation platform, leveraging big data to provide a career concierge service, suggesting career paths, learning opportunities, mentors & jobs relevant to the employee's profile:

- At HCL, the value is to provide intelligent career path to over 120,000+ employees through internal growth opportunities. This has resulted in designing and closing over 8,000 Career Development Plans for our employees.
- The Career-Connect 2.0 not only helps employees to choose career paths as a prescriptive analytics engine but also suggests shortlisted internal jobs basis their profile, instead of looking from a whole list of jobs available.
- The pilot of the platform is progressing well as we have already witnessed over 66,000 hits and it will be ready for mass deployment over the next 2 quarters.

3. **Diversity**

As an organization, we believe diversity brings innovative thoughts and when leveraged constructively can lead to sustained innovation in the work place. HCL prides itself as an organization with an open, transparent and inclusive culture. We focus on creating and sustaining a nurturing environment for employees with diverse backgrounds. We have embedded and strengthened our diversity and inclusion focus in our policies and processes across all key workforce practices.

HCL has taken a three-tiered approach to improve gender diversity and inclusion outcomes which has helped us sustain our overall gender diversity rate at 24%. The key elements of HCL gender diversity strategy involve:

1. Building shared leadership of diversity & inclusion at all levels
2. Leadership commitment and extensive ongoing advocacy to nurture and promote an Inclusive thinking culture
3. On-boarding multiple stakeholders and driving the agenda based on diversity and inclusion goals of the respective unit, wherein the framework is global, but the implementation is to suit varied business and location needs
4. Facilitate Developmental initiatives for mid and senior women leaders enabling career progression, retaining talent and maximizing their potential. Two enabling programs for women leadership development which are based on formal mentoring are:
    - ASCEND is the key diversity initiative which provides a platform to women leaders for their career development through range of experiential learning, powering up the network, and creating visibility in the leadership forums. The program's key elements include Creation of DAPs, Mentoring by senior leaders, Peer Mentoring, Action Learning Projects, and Leadership Webinar Series.
    - The second program is called 'Stepping Stones', which is a focused career development program to enable mid-level women employees to realize their career aspirations and potential to help them in their developmental journey.
5. Hundred Steps Journey: An initiative by our CEO launched on Women's Day to provide us an opportunity to pause, refocus and reaffirm our commitment to keep moving forward on an important journey. The journey of ensuring our women colleagues to reach their full

potential. Employees across the globe shared their ideas on accelerating the gender diversity agenda and the hundreds of small steps that each of us need to take to empower and enable our women colleagues on an everyday basis.

6. HCL has also launched 'iBelieve – HCL's Second Career Program for Women' a platform for women to restart their tech careers after a break. The program was launched in Chennai recently, though HCL will be extending this program to other locations too. The program focuses on refreshing the candidates existing skills and provides training on new age technologies to make them future ready. To be eligible, applicants must have had a career break of 2 to 6 years after a minimum of 2 years of work experience. Women who meet the eligibility criteria will undergo a rigorous selection process where they are assessed on their current knowledge and are allocated a suitable job role & salary commensurate to their previous experience. The training period varies from 1 month to 3 months depending on the candidate's skill proficiency assessed during the selection process.

7. Focused advocacy campaigns to build diverse perspectives: "iMotivate", "Feminspiration", "Women Connect", "BlogHer" wherein successful women leaders address the aspiring young leaders, help HCLites gain insight into successful leadership as well as understand perspectives on gender matters.

4. **Corporate Social Responsibility**

HCL Foundation, the CSR arm of HCL Technologies, continues to create sustained social impact through its flagship programs – HCL Samuday, HCL Grant, Power of One and HCL Uday.

1) HCL SAMUDAY:

A rural development initiative, Samuday was launched in 2015 with an aim to develop a sustainable, scalable, and replicable model – source code for economic and social development of rural areas. Currently implemented in three blocks of Hardoi district in Uttar Pradesh, the program covers 164 Gram Panchayats consisting 765 villages and 90,000 households totalling a population of 6 lakh people. So far, Samuday, through its 6 interventions, has benefitted around 10,000 farmers and over 7,000 households through agriculture related interventions and creating agri-allied livelihood sources respectively. Similarly, 10,000+ children are getting ICT based classroom training and 4000+ women are learning to become literate through adult literacy centres. Over 3,500 pregnant women benefited through the development of health centres and 1,300 women were economically empowered through linkages to microfinance. 125 schools and 4 health centres were equipped with solar energy and 1 solar-mini grid started operations, electrifying more than 150 households. 75 tonnes of CO_2 emissions reduced since commissioning of solar-enabled infrastructure in October 2017. 900+ youth strengthened through skill development programs. 30 villages were made Open Defecation Free and 16000+ households benefited. HCL Samuday was unveiled by the Hon'ble Chief Minister of Uttar Pradesh, Shri Yogi Adityanath in November 2017.

2) **HCL GRANT:**

The third edition of HCL Grant culminated on 09 March 2018 with the Hon'ble Union Home Minister Shri Rajnath Singh felicitating the recipients at a ceremony held at HCL Technologies campus, Noida. **The three winning NGOs of HCL Grant 2017-18** - Royal Commonwealth Society for the Blind (Sightsavers India) – Category:

Education, Eleutheros Christian Society (ECS) – Category: Health, Keystone Foundation – Category: Environment, received a grant of INR 5 crores each.

Operational in 12 states in India, the HCL Grant supported projects covering 3,567 villages across 26 Districts, reaching out to 9,11,736 beneficiaries. The communities covered under the HCL Grant Projects are some of the most under privileged ones, residing in the districts ranking very low on the socio-economic-development indicators.

3) **POWER OF ONE:**

Currently, through Power of One, HCL Foundation is supporting over 172 academically bright students from low income families through various initiatives such as scholarships, mentor–scholar arrangements, counselling and career development sessions to enhance employability under **My Scholar**, a holistic Career Development Project fully funded by the Rupee 1 that is donated each day by employees. 37,276 employees in India and 1,751 employees in the US, on an average, continued to donate towards the social and economic upliftment of vulnerable communities as of March 2018. 10,541 HCL volunteers engaged (1,19,681 hours) through hygiene sessions, life-skill training for students, exposure visits, school quality mapping, quiz competitions, sports training, and child protection training. In addition, HCLites continued to extend their support to vulnerable communities

through various initiatives such as tree plantations, women empowerment, creating awareness on health, hygiene, water and sanitation, and providing humanitarian assistance in times of natural calamities.

4) **HCL Uday:**

HCL Foundation's Urban CSR program "HCL Uday" is an Integrated Community Development program for underprivileged communities, including migrant workers and displaced people living in urban slums. We continued to reach out to the urban poor, migratory and displaced communities through various initiatives in the areas of Education, Health, Environment and Livelihood. Currently, HCL Foundation is working in 11 cities across India through Projects My Community, My School and My Worth. Till March 2018, the Foundation has benefited more than 317,048 people from 6,300 households in 16 slums clusters in 11 cities of India through My Community program. Under education 82,753 people directly benefited while 29,455 people directly benefited through healthcare interventions. More than 17,000 trees were planted through plantation drives and 2,702 people benefited via livelihood related interventions like skill based trainings. HCL Foundation continued working with **100 government schools** in seven cities, to bring about holistic development and modernization of these schools through 'My School', in FY 2017-18, HCL Foundation benefited 47,388 students, 856 teachers, 97 Principals and 10,541 volunteers. Through 'My Worth' project, in FY 2017-18, 217 HCL volunteers and 118 teachers were trained; 3,472 girls reached, 55 exposure visits organised to banks, police stations, hospitals and, 676 parents and brothers sensitised through behavioural change activities.

5) **Community initiatives in the Geos:**

- In US, HCL donated $15,000 towards disaster relief efforts following the recent Hurricanes (Harvey, Irma and Maria). HCLA donated $15,000 to SOS Children's Village towards supporting vulnerable children and families. As of January 2018, out of 170 applications received, approximately 40 students will be enrolled for free into HCLA's $5,000 sponsorship of 'Code the Dream', an initiative by Uniting NC.
- In UK, HCL supported Prince's Trust through two 'Get Started' Programmes in Manchester and Liverpool. Through this program, 24 young people in FY17-18 have been trained and 18+ customer organizations have been engaged so far.
- In South Africa, HCL signed an MoU with the University of Johannesburg for supporting a 64-seater fully equipped Computer Lab.

5. **HR Awards – Recognition of HCL Culture & Engagement Practices across the world**

To reinforce alignment of core beliefs and actions, HCL Technologies continues to transform its policies, processes and practices. This has further enabled and empowered the employees, a fact that has been well recognized by various industry forums and leading associations. **HCL Continues to be Employer of Choice across the globe.**

- In FY 18, HCL Technologies has been named as one of the most sought-after employers in India. Surpassing its peers and major contenders from other industries in LinkedIn ranking, HCL ranks at **#6 amongst all industries** put together & at no. 1 amongst IT Services company to feature in the Top 10 attractive employers for the second consecutive year by LinkedIn.
- HCL was recognized as the **Top Employer in UK for the Twelfth consecutive year** by **Top Employers Institute, UK** for its distinctive culture and employment practices among which Ideaprenuership plays a major role.

Leadership Development Programs & Gender Diversity Recognized Globally

- HCL is committed to gender diversity which reflects in our practices and initiatives like "**Ascend**" – our **women leadership development flagship program** where senior women leaders are given a platform to learn & exhibit transformational leadership won Gold award in **Best Advance in women leadership development** by **Brandon Hall Group**.
- HCL America was also recognized for **Best diversity & Inclusion strategy** for Gender Diversity showcasing our programs for women career development programs by Brandon Hall.
- Superior learning experience delivered through our asset Harvard learning program **Certified HCL Career Program** enables leaders to manage projects effectively through gamified learning has been recognized by **Leap vault.** This Practice is winning Awards globally for the last 3 quarters making HCL Proud.
- Brandon Hall recognised HCL's **Sharpen the Saw practice** with **Silver** in **Best Advance in leadership development.**

Our Social Career Development & Advanced Talent Analytics has become industry benchmarks

- **HCL's flagship social career navigation platform Career connect has been recognized as** Excellence in Practice by **ATD (Association of Talent Development)** as it enables crowd sourced career management for its employees through peers, colleagues and its managers to design a disruptive career path. This was introduced to design the individual's career path in the organization in line with their aspirations.
- HCL's new employee turnover & retention-predictive analytics practice have won **Gold in Best Advance in HR Data analytics** by **Brandon Hall.**

6. **Compliance at HCL**

At HCL, compliance is at the core of our culture and the company employs multiple mechanisms including periodic internal / external audits and a constant review of its policies in response to changing political / legal climate in the countries that it operates in. A strong Governance framework driven by a centralised compliance team ensures that the risk of non-compliance is minimized.

Risk and Concern

1. **Regulatory Compliance Risk**

Risk

As HCL is operating in a number of countries and is continuously adding new geographies, there is an increased risk of non-compliance with regulatory requirements that are relevant to its business.

HCL Strategy

HCL has put in place a comprehensive 'global regulatory compliance framework' to track regulatory compliances globally and has defined owners for various compliance related activities relevant to each function within HCL. Detailed checklists are available with respective process owners to ensure compliance, wherever needed. In addition to this, quarterly compliance certificates are presented to the Board of Directors by respective functions responsible for such compliances, which are periodically audited by the internal audit team and by external law firms. The global compliance function helps in creating awareness around the regulatory framework and helps each team focus on various local compliance - related aspects being faced by business entities in respective countries.

In addition, HCL has established a comprehensive 'Risk & Compliance organization' that provides global analysis, assessment, policy, and governance for risks related to information security, privacy, business continuity, third party engagements and operational activities. HCL's compliance program is not only designed to avoid violation of laws and regulations, but also to protect the Company's reputation, employees, and customers. Program effectiveness is periodically reviewed / audited by internal audit and reported to the audit committee.

2. **Business Continuity risk**

Risk

HCL is in the business of developing, maintaining, and operating mission-critical business and IT applications and infrastructure for various global customers in multiple industries. Due to the increase in natural calamities, man-made disruptions and geo-political events, business continuity has re-joined the ranks of top business risks and may impact the health and safety of its employees, reputation and revenue loss. HCL needs to continuously adapt and evolve its continuity planning and make it more sustainable by linking it to operational resiliency.

HCL Strategy

HCL has revamped its Business Continuity Management (BCM) framework to ensure that it meets the safety, continuity and recovery requirements for employees, assets and business in the event of a disruption. The HCL BCM framework encompasses emergency response, crisis management, disaster recovery and business continuity as part of its design elements, satisfying all requirements to be certified ISO 22301:2012 compliant. In the last fiscal year HCL has augmented the Business Continuity and Crisis Management plans across key clients, delivery locations and core enabling functions as part of strengthening the overall BCM Program.

3. **Information and Cyber Security Risk**

Risk

As cyber security risks continue to increase, becoming more severe and widespread, globalized risk of compromise to confidentiality, integrity, and availability of HCL corporate and client data presents a risk to the success and sustenance of HCL.

HCL Strategy

HCL continues to improve its Cyber / Information security posture with emphasis on protecting HCL's and its client's data. HCL has a compliance program rolled out at delivery centres which align with Cyber Security, Information Security, Vendor Risk, Privacy and Business continuity practices globally. This program helps reduce cyber threat exposure by preventing attacks, identifying, responding and recovering critical information infrastructure. Cybersecurity incidents are appropriately investigated and reported to the management. HCL employees are imparted continuous training to increase awareness on cybersecurity threats and mitigation.

4. **Privacy Risk**

Risk

The access of customer owned data that comes as part of certain outsourced relationships coupled with the dynamic and stringent regulatory landscape presents an increased risk of non-compliance with privacy and data protection law as well as damage to brand reputation and relationships between HCL and our customers. The European General Data Protection Regulation (GDPR) taking effect in May 2018, requires a much more robust privacy and data protection program to enable HCL to demonstrate compliance to our clients and regulators. In addition, a number of other non-EU countries have begun imposing additional regulatory requirements that affect the way in which HCL handles personal data across those jurisdictions – notably, China and the Philippines. The landscape continues to evolve, and many more regulatory developments are expected in the coming year.

HCL Strategy

HCL has created an enterprise wide Privacy & Data Protection Framework which includes governance, policies, privacy impact assessments, privacy by design, data mapping, third party oversight, incident management, and awareness. The implementation of this framework is divided into a five phase strategy: Assess, Design, Implement, Monitor, and Certify. This approach ensures the continued development of the Framework to meet new international regulatory challenges and developments quickly and efficiently, as well as evolving customer expectations. This dynamic, modular, risk-based privacy framework, in conjunction with strong cyber and information security frameworks, enables HCL to ensure compliance with applicable regulations and privacy best practices and allows the company to have a competitive advantage in the market, with privacy as a business enabler.

5. **HR Related Risk**

Risk:

As HCL continues on its growth journey, one of the key areas of focus is talent availability and readiness of our leadership to lead and execute the organizational strategy. The presence and demonstration of required competencies and skills across levels continues to play a key role in defining the success trajectory of the organization. It's the right and able people who bring the business strategy to life, a reality that HCL is deeply cognizant of.

HCL Strategy

HCL is focused on deploying a robust training strategy to cater to the development needs of employees across leadership levels. This includes professional, functional, technical and leadership development learning solutions.

To ensure business continuity and focus on driving the organization strategy, the leadership planning includes succession planning and short term backups at all times. Talent Management, in partnership with Business and HR leaders, carry out a half yearly activity to assess the current Criticality, Capability and Risk index of the senior leaders. This acts as the cornerstone for determining and implementing the succession planning approach for maintaining a healthy leadership pipeline.

HCL has defined a five step process which articulates the succession planning approach i.e. assessment of the key positions basis the organization's operational activities and strategic imperatives, identification of Critical to Success capabilities for each key position, objective assessment to identify current capability metrics for the potential successors, a structured development journey of identified successors, positioning for growth based on their demonstrated ability to take on senior / enlarged roles.

6. **Competition Related Risks**

Risk

The focus of traditional IT services is moving towards business outcomes and digital - business enablement. The IT buying landscape is changing through digital business transformation, that includes connected platforms and new industry revenue streams. As companies recognize the critical role of technology as an enabler of business,

the risk of expansion of global in–house IT centers as well as new entrants in the market increases. Going ahead, enterprises will have to multiply their digital innovation pace and scale through mastery of digital platforms, external digital developer communities, data-as-a-service marketplaces, expanding artificial intelligence services, blockchain as a service, new human-digital interfaces, and open API ecosystems.

HCL Strategy

HCL helps global enterprises re–imagine and transform their businesses through Digital technology transformation. HCL focuses on providing an integrated portfolio of services underlined by its Mode 1–2–3 growth strategy. Mode 1 encompasses the core services in the areas of Applications, Infrastructure, BPO and Engineering & R&D services, leveraging DRYiCETM Autonomics to transform clients' business and IT landscape, making them 'lean' and 'agile'. Mode 2 focuses on experience–centric and outcome - oriented integrated offerings of Digital & Analytics, IoT WoRKS™, Cloud Native Services and Cybersecurity & GRC services to drive business outcomes and enable enterprise digitalization. Mode 3 strategy is ecosystem - driven, creating innovative IP - partnerships to build products and platforms business. HCL leverages its global network of integrated co-innovation labs, and global delivery capabilities to provide holistic multi - service delivery in key industry verticals.

7. **Technology Related Risks (1)**

Risk

HCL operates in an ever evolving and dynamic technology environment. Therefore, it becomes important for the company to continuously review and upgrade its technology, resources and processes to mitigate technology obsolescence.

HCL Strategy

The company strategy is not dependent on any single technology or platform. HCL has developed competencies in various technologies, platforms and operating environments and offers a wide range of technology options to clients to choose from, for their business needs.

HCL leadership ensures that the delivery teams of various Lines of Business (LoB) sustain industrialization of processes, frameworks, tools and upgrades technical training, in addition to synergizing transformational initiatives and creating culture of innovation across the organization.

In addition to the in-house training and development initiatives, the Company keeps itself abreast and updated on the contemporary developments in the technology landscape through participation in key technology forums and conferences.

8. **Technology related risk (2)**

Risk

Open source frameworks such as AngularJS, Python Programming language, etc., lead to rise in demand of these new skills. Increase in popularity of Agile development methodology in transformation projects has changed the role profile from a more specialist roles earlier (i.e. designer, developer, tester etc.) to a full stack designer and full stack developer. The DevOps culture introducing automation and monitoring for operations has changed the role and demand for Support engineers. These disruptions require workforce re-skilling to be market ready and new tools to be introduced for monitoring and automation.

HCL Strategy

HCL has a robust employee Skill Profile Tracking system and update processes to have visibility to current employee skill spectrum and specialization. Capability building is a strategic initiative at HCL to equip employees with newer technology skills as well aligning them to different ways of developing and delivering services such as Agile methodology and DevOps with focus on improving productivity. AI tools team as well as Corporate initiatives encouraging account level innovation and productivity improvements also protect against the need for diverse profiles. HCL is also rolling out an internal AI based system for more accurate skill profile matching to a demand thereby providing a more precise fit.

9. **Technology related risk (3)**

Risk

Increased adoption of cloud / SaaS products: Widespread adoption of hardware virtualization, Service oriented architecture, and autonomic and utility computing has led to growth in cloud computing. The increased adoption of cloud allows enterprise to have their solutions up and running faster with improved manageability and less maintenance. This has had an impact on software development and

application support services. SaaS (Software as a service) the application which serves multiple businesses and users, and partitions its data accordingly has resulted in changes in the way software is licensed and services delivered.

HCL Strategy

HCL has started working proactively with customers to help to migrate their on premise platforms to the cloud to address the differentiated technology requirements. In case of customers adopting to third party SaaS platforms, HCL helps them by guiding the customer through the transition and help them in the ongoing customization and support. Apart from these, Newer HCL Service offering include Cloud Native services encourage the in-premise customers to speedily adopt and migrate to cloud services on all popular Cloud offerings. HCL also offers these services to Global Cloud service providers as well as Enterprise Products partners who in turn offer their products as subscription services on the Cloud.

10. **Increased dependence on onshore workforce**

Risk

Another change introduced by popularity of Agile development methodology is workforce co-location and this has resulted in reduced geographically separated teams (onsite-offshore or multi-location) and have more resources working together at customer locations. The demand visibility is also for single Agile sprint cycle.

HCL Strategy

HCL service delivery methodology is flexible to support virtually co-located teams who collaborate on Agile sprint cycles. Cross skilling for roles enable teams to perform full spectrum sprint roles from design to support services for the releases in production. The technology practice teams involved in solutions become part of Day 0 delivery responsibility at customer location thereby providing seamless continuity in delivering co-located services till they are back-filled through virtual co-location once engagement stabilization is achieved.

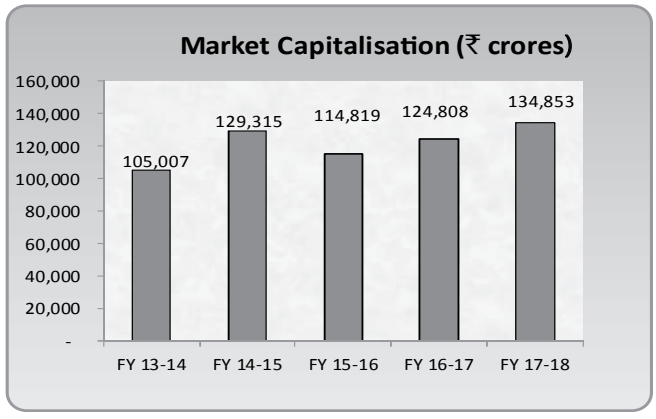
PERFORMANCE TREND

HCL Technologies Limited (HCL) is a leading Company in the IT / ITES space, offering a full array of services to its customers. HCL is a leading provider of innovative customer specific solutions, backed by best-in-class processes.

In its journey of business success and excellence, HCL has created significant wealth for all its stakeholders.

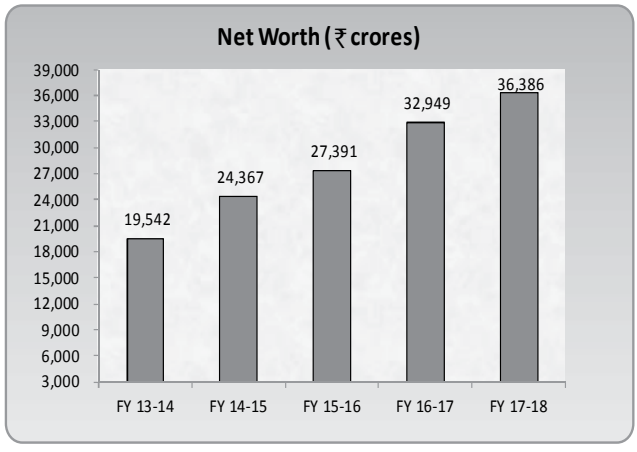
Value Addition

Market capitalization has increased from ₹105,007 crores in fiscal 2014 to ₹134,853 crores in fiscal 2018.



*Market Capitalization based on market rate as on last date of the respective financial year.

The net worth of the Company has increased 2 times in last 5 years. In fiscal 2018, the Net worth of the Company stood at ₹36,386 crores.



FINANCIAL PERFORMANCE

The financial results of HCL under Indian Accounting Standard (Ind AS) are discussed below in two parts.

- Consolidated results of HCL which include the performance of its subsidiaries. Such consolidated results depict comprehensively the performance of the HCL group of companies and is more relevant for understanding the overall performance of HCL.
- Standalone results of HCL which excludes the performance of its subsidiaries.

Consolidated results

This part of the Management Discussion and Analysis refers to the consolidated financial statements of HCL ("the Company" or "the Parent Company") and its subsidiaries referred to as "the Group". The discussion should be read in conjunction with the financial statements and related notes to the consolidated accounts of HCL for the year ended 31 March 2018.

Results of Operations (Consolidated):

(₹ in Crores)

Particulars	Year Ended				
	31 March 2018		31 March 2017		Growth
	Amount	% Revenue	Amount	% Revenue	% Increase
Revenue from operations	50,569	100.0%	47,568	100.0%	6.3%
Purchase of stock-in-trade	1,251	2.5%	826	1.7%	51.5%
Changes in inventories of stock-in-trade	104	0.2%	(11)	0.0%	-1045.5%
Employee benefit expense	24,729	49.0%	22,866	48.1%	8.1%
Outsourcing costs	8,620	17.0%	8,666	18.2%	-0.5%
Other expenses	4,619	9.1%	4,837	10.2%	-4.5%
Depreciation and amortisation expense	1,383	2.7%	828	1.7%	67.0%
Total Expenditure	**40,706**	**80.5%**	**38,012**	**79.9%**	**7.1%**
Profit before finance cost, other income & tax	**9,863**	**19.5%**	**9,556**	**20.1%**	**3.2%**
Finance costs	69	0.1%	89	0.2%	-23.0%
Other income	1,217	2.4%	1,073	2.3%	13.4%
Profit before tax	**11,011**	**21.8%**	**10,540**	**22.2%**	**4.5%**
Provision for tax	2,302	4.6%	1,936	4.1%	18.9%
Share of profit of associates	13	0.0%	2	0.0%	5.43
Non-controlling interest	(1)	0.0%	-	0.0%	-
Profit for the year	**8,721**	**17.2%**	**8,606**	**18.1%**	**1.3%**

Key notes:

- ***Revenue from operations*** *increased to ₹50,569 crore in FY 2018 as compared to ₹47,568 crore in FY 2017 resulting in growth of 6.3%.*
- ***Profit for the year*** *increased to ₹11,011 crore in FY 2018 as compared to ₹10,540 crore in FY 2017 resulting in growth of 4.5%.*
- ***Profit for the year*** *increased to ₹8,721 crore in FY 2018 as compared to ₹8,606 crore in FY 2017 resulting in growth of 1.3%.*

Revenues

The Group derives its revenue from three segments viz Software services, IT Infrastructure services and Business Process Outsourcing services.

Segment wise details are given below:

(₹ in Crores)

Particulars	Year Ended				
	31 March 2018		31 March 2017		
	Amount	% of Total	Amount	% of Total	% Increase
Software Services	29,611	58.5%	27,139	57.0%	9.1%
Infrastructure Services	19,095	37.8%	18,543	39.0%	3.0%
Business Process Outsourcing Services	1,863	3.7%	1,886	4.0%	-1.2%
Total Revenue	**50,569**	**100.0%**	**47,568**	**100.0%**	**6.3%**

Geography wise breakup of revenues

The Group also reviews its business on a geographic basis. The following table classifies total revenue by geographic areas:

(₹ in Crores)

Geographical Mix	Year Ended				
	31 March 2018		31 March 2017		
	Amount	% of Total	Amount	% of Total	% Increase
America	29,463	58.4%	27,372	57.6%	7.6%
Europe	13,843	27.4%	12,709	26.7%	8.9%
India	1,995	3.9%	1,994	4.2%	0.1%
Rest of the world	5,268	10.3%	5,493	11.5%	-4.1%
Total Service Revenue	**50,569**	**100.0%**	**47,568**	**100.0%**	**6.3%**

US geography has grown by 7.6% and Europe by 8.9% in Fiscal 2018. Rest of the world has gone down by 4.1% which is mainly due to depreciation of INR against Asia Pacific region currencies during the year.

Employee benefits expense and outsourcing costs

(₹ in Crores)

Particulars	Year Ended				
	31 March 2018		31 March 2017		
	Amount	% Revenue	Amount	% Revenue	% Increase
Salaries, wages and bonus	21,506	42.6%	19,823	41.7%	8.5%
Contribution to provident fund and other employee benefits	3,115	6.2%	2,916	6.1%	6.8%
Staff welfare expenses	108	0.2%	127	0.3%	-14.6%
Subtotal (A)	**24,729**	**49.0%**	**22,866**	**48.1%**	**8.1%**
Outsourcing costs (B)	8,620	17.0%	8,666	18.2%	-0.5%
Total (A+B)	**33,349**	**66.0%**	**31,532**	**66.3%**	**5.8%**

Employee benefit expenses includes salaries which have fixed and variable component, contributions to retirement and pension schemes. It also includes expenses incurred on staff welfare.

Outsourcing costs include a) outsourcing of several customer related activities e.g. hosting services, facilities management, disaster recovery, maintenance, break fix services etc. in the IT Infrastructure Division and b) hiring of third party consultants from time to time to supplement the in house teams.

Employee benefits expense has increased by ₹1,863 crores compared to previous year. The increase in employee cost is primarily on account of increase in number of employees (120,081 in fiscal 2018 as compared to 115,973 in fiscal 2017) and an increase in the average cost per employee due to normal salary revisions.

Employee benefit expenses and outsourcing costs as a % of revenue have decreased by 0.3% over previous year.

Other expenses

(₹ in Crores)

Particulars	Year Ended				
	31 March 2018		31 March 2017		
	Amount	% Revenue	Amount	% Revenue	% Increase
Rent	566	1.1%	510	1.1%	**11.0%**
Power & Fuel	313	0.6%	307	0.6%	**2.0%**
Travel and conveyance	1,461	2.9%	1,630	3.4%	**-10.4%**
Communication costs	285	0.6%	310	0.7%	**-8.1%**
Repairs and maintenance	445	0.9%	362	0.8%	**22.9%**
Software license fee	323	0.6%	258	0.5%	**25.1%**
Others	1,226	2.4%	1,460	3.1%	**-16.0%**
Total	**4,619**	**9.1%**	**4,837**	**10.2%**	**-4.5%**

Other expenses as a % of revenue have decreased by 1.1% as compared to previous year mainly due to saving in travel costs.

Other Income

The details of Other Income are as follows:

(₹ in Crores)

Other Income	Year Ended		
	31 March 2018	31 March 2017	Growth
Interest Income	464	800	-42%
Income on investments	165	55	199%
Exchange Differences	581	195	198%
Profit on sale of property, plant and equipments	1	-	0%
Others	6	23	-76%
Total	**1,217**	**1,073**	**13.4%**

Exchange differences

The Group derives over 97% of its revenues in foreign currencies and over 72% of its costs are incurred in foreign currencies. This exposes the Group to risks of adverse variations in foreign currency exchange rates.

Exchange rates for major currencies with respect to INR are given below:-

Average Rate	USD	GBP	EURO	AUD
For the Year Ended March 31,2018	64.52	85.32	74.94	49.96
For the Year Ended March 31,2017	66.99	88.30	73.03	50.37
Depreciation / (appreciation) (%)	-3.7%	-3.4%	2.6%	-0.8%

Year Ended	USD	GBP	EURO	AUD
As at March 31,2018	65.18	91.60	80.81	50.16
As at March 31,2017	64.88	80.85	69.32	49.59
Depreciation / (appreciation) (%)	0.5%	13.3%	16.6%	1.2%

The Group uses foreign exchange forward contracts and options to mitigate the risk of movements in foreign exchange rates associated with receivables and forecast transactions in certain foreign currencies. During the current fiscal year, the Group had an exchange gain of ₹581 crores (previous year ₹195 crores). These exchange differences are a) on account of restatement of foreign currency assets and liabilities, b) exchange gain (loss) incurred on forward covers / options on occurrence of hedge transactions for which cash flow hedge accounting is being followed, and c) mark to market impact of other hedges.

The Group follows cash flow hedge accounting in respect of forward covers and options to hedge the foreign exchange risks related to the forecast revenues. Exchange gain (loss) arising on such forward covers, where a hedged transaction has occurred during the year, has been included under 'exchange difference' and changes in the fair value of derivatives (net of tax), that are designated and effective as hedges of future cash flows as on the balance sheet date, are recognized directly in the hedging reserve account under 'Shareholders Funds'. The total unrealized exchange gain (net of tax) recognized in the hedging reserve account as at 31 March, 2018 is ₹137 crores (previous year ₹445 crores).

Taxation

Tax expense as a percentage of profit before tax has increased from 18.4% in the previous year to 20.9% in fiscal 2018. Tax expense percentage in previous year was lower on account of reversal of tax provisions carried in certain foreign jurisdiction on finalization of review by tax authorities.

FINANCIAL POSITION

(₹ in Crores)

	31 March 2018	31 March 2017
ASSETS		
(a) Non-current assets	23,465	19,299
(b) Current assets		
Investments	2,357	1,146
Trade receivables	9,639	8,301

	31 March 2018	31 March 2017
Cash and bank balances	4,018	9,044
Loans	3,410	2,521
Other current assets	5,134	5,451
TOTAL ASSETS	**48,023**	**45,762**
EQUITY		
(a) Equity share capital	278	285
(b) Otherequity	36,108	32,837
TOTAL EQUITY	**36,386**	**33,122**
LIABILITIES		
(a) Non - current liabilities	1,530	1,305
(b) Current liabilities	10,107	11,335
TOTAL EQUITY AND LIABILITIES	**48,023**	**45,762**

Shareholder's Fund

a) The Company has an authorized share capital of ₹300 crores, divided into 1,500,000,000 equity shares of ₹2 each. During the year, employees exercised their options for 462,960 equity shares under the employee's stock option plans 2004.

b) During the year, the Company has carried out the share buyback of 35,000,000 fully paid-up equity shares of face value of ₹2/- each at a price of ₹1,000/- per share paid in cash for an aggregate consideration of ₹3500 crores. The same has been recorded as reduction of Equity Share Capital by ₹7 crores and Other Equity by ₹3,493 crores.

c) The Consolidated Shareholder's Fund of the Group stood at ₹36,386 crores as at 31 March 2018 (previous year ₹33,122 crores).

Borrowings

The Group had outstanding borrowings of ₹515 crores as at 31 March 2018 (previous year ₹582 crores)

Property, plant and equipment, goodwill and intangibles

The Group has made addition to gross block by ₹4,820 crores (previous year ₹7,084 crores) in property, plant & equipment, goodwill and intangibles during fiscal 2018, which mainly comprises Licensed IPRs, computers, plant and equipments and investment in facilities.

Capital work - in- progress stood at ₹320 crores (previous year ₹448 crores).

Treasury Investments

The guiding principles of the Group's treasury investments are safety, liquidity and return. The Group has efficiently managed its surplus funds through careful treasury operations.

The Group deploys its surplus funds in fixed deposits with banks, deposits with HDFC Limited and investments in debt mutual funds and taxable bonds, with a limit on investments with any individual bank / fund.

Breakup of treasury investments is given below

(₹ in crores)

Particulars	31 March 2018	31 March 2017
Debt Mutual Funds	2,357	1,146
Taxable Bonds	260	-
Fixed Deposits with Banks	2,319	7,723
Inter Corporate Deposits	3,643	2,500
Total	**8,579**	**11,369**

Current and non-current Liabilities

Current and non-current liabilities, excluding borrowings, decreased by ₹944 crores (₹12,202 crores in fiscal 2017 to ₹11,258 crores in fiscal 2018); the decrease is mainly on account of decrease in capital accounts payable by ₹968 crores towards purchase of licensed IPRs.

Current and non-current Assets

Current and non-current assets increased by ₹1,283 crores (₹17,389 crores in fiscal 2017 to ₹18,672 crores in fiscal 2018); the increase is mainly on account of increase in trade receivables by ₹1,338 crores and reduction in Unrealized gain on derivative financial instruments by ₹397 crores.

CASH FLOWS

A summary of the cash flow statement is given below:

(₹ in crores)

Particulars	Year Ended	
	31 March 2018	31 March 2017
Cash and cash equivalents at the beginning of the year	1,321	733
Net cash generated from operating activities	8,328	8,995
Net cash used in investing activities	(2,283)	(3,833)
Cash flows used in financing activities	(5,714)	(4,517)
Effect of exchange differences on cash and cash equivalents held in foreign currency	47	(57)
Cash and cash equivalents at the end of the year	1,699	1,321

Cash flow from operations

The Group generated net cash from operating activities of ₹8,328 crore in FY 2018 (₹8,995 crore in FY 2017)

(₹ in crores)

	Year Ended	
	31 March 2018	31 March 2017
Operating profit before working capital changes	11,918	10,681
Effect of working capital changes	(1,234)	321
Cash generated from operations	**10,684**	**11,002**
Tax payments made	(2,356)	(2,007)
Net cash generated from operating activities	**8,328**	**8,995**

- Operating profit of the company has increased by ₹1,237 crores in Fiscal 2018.
- Net cash generated from operating activities has decreased during the current year mainly on account of -
  a) Increase in trade receivables and payment of liabilities which has resulted in cash outflows of ₹1,234 crores.
  b) Increase in tax payment by ₹349 crores in Fiscal 2018 as compared to previous year.

Cash flow from investing activities

(₹ in crores)

	Year Ended	
	31 March 2018	31 March 2017
Purchase of property, plant and equipment and intangibles, including capital work in progress and capital advances, net	(5,321)	(3,811)
(Purchase) / sale of investments	(2,459)	(983)
Payments for business acquisitions, net of cash acquired	(107)	(487)
Redemption / maturity of bank deposits (net) having maturity over three months	5,403	880
Net cash in subsidiaries being disposed of	(144)	-
Interest and dividend income	500	854
Taxes paid	(153)	(265)
Others	(2)	(21)
Net cash used in investing activities	**(2,283)**	**(3,833)**

In fiscal 2018 the Group used ₹2,283 crores for investing activities (₹3,833 crores in fiscal 2017). The significant items of investing activities were:-

- The Group used ₹5,321 crores for purchase of property, plant and equipment and intangible assets in fiscal 2018 (₹3,811 crores in fiscal 2017).
- During the current fiscal, the Group has made payment of ₹107 crores (net of cash acquired) as purchase consideration (Previous year ₹487 crores), for acquisitions consummated during the year [for details refer note no 2 to consolidated financial statements].
- Fixed deposits with banks (net) of ₹5,403 crores have been matured in fiscal 2018 (invested ₹880 crores in fiscal 2017).
- Interest on deposits and dividends on investment in mutual funds received in fiscal 2018 of ₹500 crores (₹854 crores in fiscal 2017).

Cash flow from financing activities

(₹ in crores)

	Year Ended	
	31 March 2018	**31 March 2017**
Buyback of equity shares	(3,500)	-
Expenses on buyback of equity shares	(14)	-
Dividend paid (including taxes)	(2,031)	(4,069)
Repayment of borrowings (net)	(148)	(395)
Interest paid	(14)	(19)
Payments for deferred consideration on business acquisitions	(16)	(33)
Principal payment for finance lease obligations	9	(1)
Net cash used in financing activities	**(5,714)**	**(4,517)**

In fiscal 2018 the Group used ₹5,714 crores in financing activities (₹4,517 crores in fiscal 2017). The significant items of financing activities are:-

- Payment of dividends including taxes of ₹2,031 crores (₹4,069 crores in fiscal 2017).
- During the year, the Company has carried share buyback of 35,000,000 fully paid-up equity shares of face value of ₹2/- each at a price of ₹1,000/- per share paid in cash for an aggregate consideration of ₹3500 crores.

Standalone results

Standalone results of HCL exclude the performance of its subsidiaries.

The discussion in the paragraphs which follow should be read in conjunction with the financial statements and related notes relevant to the standalone results of HCL Technologies Limited (herein referred to as “HCL” or “the Company”) for the year ended 31 March 2018.

Results of Operations (Standalone)

(₹ in Crores)

Particulars	Year Ended				Growth
	31 March 2018		31 March 2017		
	Amount	% Revenue	Amount	% Revenue	%
Revenue from operations	**22,073**	**100.0%**	**19,318**	**100.0%**	**14.3%**
Purchase of stock-in-trade	138	0.6%	124	0.6%	10.9%
Change in inventories of stock-in-trade	50	0.2%	39	0.2%	28.3%
Employee benefit expense	7,365	33.4%	6,844	35.4%	7.6%
Outsourcing costs	2,918	13.2%	2,219	11.5%	31.5%
Other expenses	2,263	10.3%	2,239	11.6%	1.1%
Depreciation and amortisation expense	893	4.0%	478	2.5%	86.8%
Total Expenditure	**13,627**	**61.5%**	**11,943**	**61.8%**	**14.1%**
Profit before finance cost,other income & tax	**8,446**	**38.5%**	**7,375**	**38.2%**	**14.5%**
Finance cost	23	0.1%	55	0.3%	-58.8%
Other income	702	3.2%	956	4.9%	-26.6%
Profit before tax	**9,125**	**41.5%**	**8,276**	**42.8%**	**10.3%**
Provision for tax	1,763	8.0%	1,403	7.3%	25.6%
Profit for the year	**7,362**	**33.7%**	**6,873**	**35.5%**	**7.1%**

Key Notes:

- ***Revenue from operations*** *increased to ₹22,073 crore in FY 2018 as compared to ₹19,318 crore in FY 2017 resulting in growth of 14.3%.*
- ***Profit before tax (PBT)*** *increased to ₹9,125 crore in FY 2018 as compared to ₹8,276 crore in FY 2017 resulting in growth of 10.3%.*
- ***Profit for the year*** *increased to ₹7,362 crore in FY 2018 as compared to ₹6,873 crore in FY 2017 resulting in growth of 7.1%.*

FINANCIAL POSITION (Standalone)

(₹ in Crores)

	31 March 2018	31 March 2017 |
ASSETS		
(a) Non-current assets	17,370	14,255
(b) Current assets		
Investments	2,130	914
Trade receivables	5,427	4,418
Cash and bank balances	2,325	7,962
Loans	3,438	2,543
Other current assets	2,128	2,279
TOTAL ASSETS	**32,818**	**32,371**
EQUITY		
(a) Equity share capital	278	285
(b) Otherequity	27,285	25,688
TOTAL EQUITY	**27,563**	**25,973**
LIABILITIES		
(a) Non - current liabilities	562	483
(b) Current liabilities	4,693	5,915
TOTAL EQUITY AND LIABILITIES	**32,818**	**32,371**

Key Notes:

Current and non-current Liabilities

Current and non-current liabilities, excluding borrowings, decreased by ₹1,146 crores (₹6,367 crores in fiscal 2017 to ₹5,221 crores in fiscal 2018); the decrease is mainly on account of decrease in capital accounts payable by ₹1,028 crores towards software license assets capitalized in books.

Current and non-current Assets

Current assets, excluding property, plant & equipment, intangible assets, and treasury assets increased by ₹997 crores (₹12,947 crores in fiscal 2017 to ₹13,944 crores in fiscal 2018); the increase is mainly on account of increase in trade receivables by ₹1,009 crores.

CASH FLOWS

A summary of the cash flow statement is given below:

(₹ in crores)

	Year Ended	
	31 March 2018	31 March 2017
Cash and cash equivalents at the beginning of the year	352	125
Net cash generated from operating activities	6,339	6,995
Net cash used in investing activities	(973)	(2,643)
Cash flows used in financing activities	(5,547)	(4,112)
Net increase / (decrease) in cash and cash equivalents	(181)	240
Effect of exchange differences on cash and cash equivalents held in foreign currency	39	(13)
Cash and cash equivalents at the end of the year	210	352

Cash flow from operations

The Company generated net cash from operating activities of ₹6,339 crore in FY 2018 (₹6,995 crore in FY 2017)

(₹ in crores)

	Year Ended	
	31 March 2018	**31 March 2017**
Operating profit before working capital changes	9,532	8,068
Effect of working capital changes	(1,468)	513
Cash generated from operations	**8,064**	**8,581**
Tax payments made	(1,725)	(1,586)
Net cash generated from operating activities	**6,339**	**6,995**

- Operating profit of the company has increased by ₹1,464 crores in Fiscal 2018.
- Net cash generated from operating activities has decreased during the current year mainly on account of -
  a) Increase in trade receivables and payment of liabilities which has resulted in cash outflows of ₹1,468 crores.
  b) Increase in tax payment by ₹139 crores in Fiscal 2018 as compared to previous year.

Cash flow from investing activities

(₹ in crores)

	Year Ended	
	31 March 2018	**31 March 2017**
Purchase of property, plant and equipment and intangibles, including capital work in progress and capital advances, net	(4,354)	(3,252)
Proceeds from sale of property, plant and equipment	15	(48)
(Purchase) / sale of investments	(2,477)	(808)
Redemption / maturity of bank deposits (net) having maturity over three months	5,498	926
Proceeds from / (Investment in) equity instruments of subsidiary	2	(86)
Payments for business acquisitions, net of cash acquired	-	3
Loans extended / (Proceeds from loan extended) to group company	-	22
Interest and dividend income	492	863
Taxes paid	(149)	(263)
Net cash used in investing activities	**(973)**	**(2,643)**

In fiscal 2018 the Company used ₹973 crores for investing activities (₹2,643 crores in fiscal 2017). The significant items of investing activities:-

- The Company used ₹4,354 crores for purchase of property, plant and equipment and intangible assets (₹3,252 crores in fiscal 2017).
- Fixed deposits with banks (net) of ₹5,498 crores have been realized during the year. (₹926 crores in fiscal 2017).
- Interest on deposits and dividends from subsidiary company received in fiscal 2018 of ₹492 crores (₹863 crores in fiscal 2017).

Cash flow from financing activities

(₹ in crores)

	Year Ended	
	31 March 2018	**31 March 2017**
Buyback of equity shares	(3,500)	-
Expenses on buyback of equity shares	(14)	-
Dividend paid (including taxes)	(2,031)	(4,068)
Repayment of borrowings (net)	3	(17)
Interest paid	(5)	(27)
Net cash used in financing activities	**(5,547)**	**(4,112)**

In fiscal 2018 the Company used ₹5,547 crores in financing activities (₹4,112 crores in fiscal 2017). The significant items of financing activities are:-

- Payment of dividends including taxes ₹2,031 crores (₹4,068 crores in fiscal 2017).
- During the year, the Company has carried share buyback of 35,000,000 fully paid-up equity shares of face value of ₹2/- each at a price of ₹1,000/- per share paid in cash for an aggregate consideration of ₹3500 crores.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have immense pleasure in presenting the **Twenty Sixth Annual Report** together with the audited financial statements for the financial year ended March 31, 2018.

1. FINANCIAL RESULTS

Key highlights of the financial results of your Company prepared as per the Indian Accounting Standards ("Ind AS") for the financial year ended March 31, 2018 are as under:

(₹ in crores)

Particulars	Consolidated		Standalone	
	Year ended		Year ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Total Income	**51,786**	**48,641**	**22,775**	**20,274**
Total Expenditure	**40,775**	**38,101**	**13,650**	**11,998**
Profit before tax	**11,024**	**10,542**	**9,125**	**8,276**
Provision for tax	(2,302)	(1,936)	(1,763)	(1,403)
Share of profit of associates	13	2	-	-
Profit for the year	**8,722**	**8,606**	**7,362**	**6,873**
Other Comprehensive Income	**260**	**(301)**	**(226)**	**405**
Total Comprehensive Income	**8,982**	**8,305**	**7,136**	**7,278**
Total Comprehensive Income attributable to Owners of the Company	**8,981**	**8,343**	**N.A.**	**N.A.**

2. RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

On a standalone basis, the Company achieved a revenue of ₹22,775 crores in the financial year 2017-18 and the profit for the financial year 2017-18 is ₹7,362 crores .

On a consolidated basis, the Company achieved a revenue of ₹51,786 crores in the financial year 2017-18 and the profit for the financial year is ₹8,722 crores.

The state of affairs of the Company is presented as part of the Management Discussion and Analysis Report forming part of this report.

3. DIVIDEND

During the financial year ended March 31, 2018, your Directors had declared and paid four interim dividends as per the details given below:

S. No.	Interim dividend paid during the financial year ended March 31, 2018	Date of Declaration	Rate of dividend per share (face value of ₹2 each)	Amount of dividend paid	Dividend Distribution tax paid by the Company	Total Outflow
				(₹ in crores)		
1	1st Interim Dividend	May 11, 2017	₹6	856	174	1,030
2	2nd Interim Dividend	July 27, 2017	₹2	278	56	334
3	3rd Interim Dividend	October 25, 2017	₹2	278	53	331
4	4th Interim Dividend	January 19, 2018	₹2	278	57	335
			Total	**1,690**	**340**	**2,030**

The Board of Directors in its meeting held on April 30- May 2, 2018 declared an interim dividend of ₹2 per equity share of face value of ₹2 each fully paid up for the financial year 2018-19. The Directors did not recommend final dividend for the financial year ended March 31, 2018.

4. TRANSFER TO RESERVES

No amount was transferred to the General Reserve Account for the financial year ended March 31, 2018.

5. CHANGES IN CAPITAL STRUCTURE

The changes in the capital structure of the Company during the year under review, are as follows:

(i) During the year under review, the Company allotted 4,62,960 fully paid up equity shares of ₹2/- each under its Employees Stock Option Plan.

(ii) 3,50,00,000 fully paid up equity shares of ₹2/- each of the Company were bought back from the shareholders under the Buyback Offer made by the Company as on July 4, 2017. The said shares were extinguished / physically destroyed on July 6, 2017.

Issued and Paid-up share capital as on March 31, 2018

As on March 31, 2018, the issued, subscribed and paid-up share capital of the Company was ₹2,78,44,92,768/- divided into 1,39,22,46,384 equity shares of face value of ₹2/- each.

6. DEBENTURES

Your Company has not issued any fresh debentures during the financial year under review. In addition, there are no debentures outstanding.

7. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report, in terms of Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached and forms a part of this Report**.**

8. SUBSIDIARIES / ACQUISITIONS

As on March 31, 2018, the Company has 94 subsidiaries and 9 associate companies within the meaning of Sections 2(87) and 2(6) of the Companies Act, 2013 ("Act") respectively. There has been no material change in the nature of business of the subsidiaries.

As per the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries (which includes associate companies and joint ventures) in Form AOC-1 forms part of the Annual Report.

As per the provisions of Section 136 of the Act, the standalone financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, shall be available on the website of the Company. The Company would provide the annual accounts of the subsidiaries and the related detailed information to the shareholders on specific request made to it in this regard by the shareholders.

The following acquisitions have been made by the Company through its step-down subsidiaries during the year under review:

- HCL America, Inc. (a wholly owned step down subsidiary of the Company) acquired Urban Fulfillment Services, LLC, a limited liability company formed under the laws of State of Delaware, pursuant to which Urban Fulfillment Services, LLC became a step-down wholly owned subsidiary of HCL America, Inc.

  For the purpose of the said acquisition, the Company incorporated HCL Mortgage holdings, LLC, a limited liability company formed under the laws of State of Delaware as a wholly owned subsidiary of HCL America, Inc.

- HCL Technologies UK Limited (a wholly owned step down subsidiary of the Company) acquired ETL Factory Limited, a company formed under the laws of U.K., pursuant to which ETL Factory Limited became the wholly owned subsidiary of HCL Technologies U.K Limited.

The Company acquired 8% equity shares of HCL Eagle Limited from its JV partner viz. Great American Insurance Company, USA, thereby making HCL Eagle Limited a wholly-owned subsidiary of the Company.

Further, as a part of the internal restructuring, the following were undertaken during the year under review:

- The Company has incorporated HCL Technologies Corporate Services Limited, a private limited company, under the laws of United Kingdom.

- The Company has transferred its entire shareholding in HCL Training & Staffing Services Private Limited ("HCL TSS"), a wholly owned subsidiary of the Company to HCL Comnet Limited, another wholly owned subsidiary of the Company. Post the transfer of shareholding, HCL TSS has become a direct wholly-owned subsidiary of HCL Comnet Limited and a step-down wholly-owned subsidiary of the Company.

- Axon Solution Inc. a wholly owned subsidiary of HCL America, Inc. got merged with and into HCL America, Inc., with effect from July 1, 2017.
- HCL Expense Management Services, Inc. a step-down subsidiary of the Company was not in operation and was therefore voluntarily dissolved.

Acquisitions / Joint Ventures after the close of the financial year:

- HCL America, Inc. (a wholly owned step down subsidiary of the Company) acquired Telerx Marketing, Inc. (*doing business as* C3i Solutions) a company formed under the laws of State of Delaware, pursuant to which Telerx Marketing, Inc. and all its subsidiaries have become the wholly owned subsidiary(ies) of HCL America Inc., with effect from the date of completion of acquisition, i.e. April 06, 2018.
- HCL America, Inc. (a wholly owned step down subsidiary of the Company) has entered into a Joint Venture agreement with Sumeru Equity Partners, a newly incorporated technology and growth-focused private equity firm named as HCL Technologies SEP Holdings, Inc., for the purpose of acquisition of Actian Corporation, a provider of a hybrid data management company formed under the laws of State of Delaware.

  Pursuant to the above agreement, Actian Corporation and all its subsidiaries will become the step down subsidiaries of HCL America Inc., with effect from the date of completion of acquisition which is expected in the current financial year.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company consists of eleven members, of which three are Women Directors. The Board consists of one Whole-time Director and ten non-executive Directors of whom eight are independent Directors. The Whole-time Director is the promoter director who is designated as the Chairman and Chief Strategy Officer of the Company.

Mr. Deepak Kapoor (DIN -00162957) was appointed as an Additional Director by the Board of Directors of the Company w.e.f. July 26, 2017. Subsequently, at the Annual General Meeting of the Company held on September 21, 2017, Mr. Deepak Kapoor was appointed as an Independent Director of the Company in terms of section 149 of Companies Act, 2013, to hold office for a period of five years.

Mr. Amal Ganguli (DIN – 00013808) who was a Non-Executive Independent Director of the Company, ceased to be a Director of the Company due to his demise on May 8, 2017.

The Independent Directors have furnished the certificate of independence stating that they meet the criteria of Independence as mentioned under Section 149 (6) of the Act and Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the provisions of Section 152 (6) of the Act, Ms. Roshni Nadar Malhotra shall retire by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment as the Director of the Company.

Changes in the composition of the Board after the close of the financial year:

Mr. Keki Mistry resigned as an Independent Director of the Company w.e.f. April 30, 2018. The Board places on record its sincere appreciation and gratitude for Mr. Mistry's valuable services, guidance and contribution to the Company during his tenure as a member of the Board and its Committees.

10. NUMBER OF MEETINGS OF THE BOARD

During the year, seven meetings of the Board were held. The details of the meetings are provided in the Corporate Governance Report.

11. FAMILIARIZATION PROGRAMME

The details of familiarization programme have been provided under the Corporate Governance Report.

12. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, an Annual Performance Evaluation is to be made by the Board of its own performance and that of the Committees and individual Directors.

In view of the above, the Annual Performance Evaluation was undertaken by the Board. The framework and criteria of evaluation was as approved by the Nomination and Remuneration Committee of the Company (basis the Guidance note on Board evaluation that was issued by SEBI on January 5, 2017). The process and criteria of evaluation is explained in the Corporate Governance Report, which forms part of this report.

13. AUDITORS

M/s. S.R. Batliboi and Co. LLP, Chartered Accountants, were appointed as the Statutory Auditors of your Company in the Annual General Meeting held on December 4, 2014 for a term of five years until the conclusion of the Twenty Seventh Annual General Meeting of the Company to be held in the year 2019.

14. AUDITORS' REPORT

There are no qualifications, reservations, adverse remarks or disclaimer made by M/s. S.R. Batliboi and Co. LLP, Statutory Auditors in their report for the financial year ended March 31, 2018. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company for the year under review.

15. SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Act, M/s. Chandrasekaran Associates, Practicing Company Secretaries were appointed as the Secretarial Auditor of the Company. The report of the Secretarial Auditor is enclosed as Annexure 1 to this Report. The report is self-explanatory and does not call for any further comments. There are no qualifications, reservations, adverse remarks or disclaimer made by the Secretarial Auditor in their report for the financial year ended March 31, 2018.

16. EXTRACT OF ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Act, the extract of the Annual Return in Form MGT-9 is enclosed as Annexure 2 to this Report.

17. DIRECTORS' APPOINTMENT AND REMUNERATION

In accordance with the provisions of the Companies Act, 2013 ("Act"), the Nomination and Remuneration Committee formulates the criteria for determining the qualifications, positive attributes and independence of Directors in terms of its charter.

In evaluating the suitability of individual Board members, the Committee takes into account, factors such as educational and professional background, general understanding of the Company's business dynamics, standing in the profession, personal and professional ethics, integrity and values, willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

The Committee also assesses the independence of Directors at the time of appointment / re-appointment as per the criteria prescribed under the provisions of the Act and rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Remuneration Policy for Directors, Key Managerial Personnel and other employees are provided in the Corporate Governance Report forming part of this Report.

18. AUDIT COMMITTEE

As on March 31, 2018, the Audit Committee comprises of five Independent Directors viz. Mr. Keki Mistry, Mr. Subramanian Madhavan, Mr. Deepak Kapoor, Ms. Robin Ann Abrams and Ms. Nishi Vasudeva.

Mr. Deepak Kapoor was co-opted as a member of the Committee w.e.f. November 01, 2017.

Mr. Keki Mistry ceased to be the Chairman of the Committee due to his resignation from the board of the Company w.e.f. April 30, 2018. Mr. Subramanian Madhavan was appointed as the Chairman of the Committee in place of Mr. Keki Mistry.

All the recommendations made by the Audit Committee, during the financial year 2017-18, were accepted by the Board.

19. RISK MANAGEMENT COMMITTEE

As on March 31, 2018, the Risk Management Committee comprises of five Independent Directors viz. Mr. Keki Mistry, Mr. Subramanian Madhavan, Mr. Deepak Kapoor, Ms. Robin Ann Abrams and Ms. Nishi Vasudeva.

Mr. Deepak Kapoor was co-opted as a member of the Committee w.e.f. January 19, 2018.

Mr. Keki Mistry ceased to be the Chairman of the Committee due to his resignation from the board of the Company w.e.f. April 30, 2018. Mr. Subramanian Madhavan was appointed as the Chairman of the Committee in place of Mr. Keki Mistry.

All the recommendations made by the Committee, during the financial year 2017-18, were accepted by the Board.

20. RISK MANAGEMENT POLICY

The Board of the Company has formed a Risk Management Committee to inter-alia assist the Board in overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and external environmental risks. In addition, the Audit Committee is also empowered to oversee the areas of risks and controls.

The Company has developed and implemented a Risk Management Policy that ensures the appropriate management of risks in line with its internal systems and culture.

21. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal financial control systems are commensurate with its size and the nature of its operations. The controls are adequate for ensuring the orderly and efficient conduct of the business and these controls are working effectively. These controls have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, adherence to the Company's policies, safe-guarding of assets from unauthorized use and prevention and detection of frauds and errors.

22. SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

23. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

24. TRANSACTIONS WITH RELATED PARTIES

The particular of transactions entered with related parties referred to in section 188(1) and applicable rules of the Companies Act, 2013 has been given in Annexure 3 in Form AOC-2 and the same forms part of this Report. The Company also has in place a 'Related Party Policy', which is available on the website of the Company at https://www.hcltech.com/investors/governance-policies.

25. CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility ("CSR") committee comprises of three members, namely Mr. Shiv Nadar, Ms. Roshni Nadar Malhotra and Mr. Subramanian Madhavan. The Committee is inter alia responsible for formulating and monitoring the CSR Policy of the Company. A brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure 4 of this Report in the form as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Policy is available on the website of the Company at https://www.hcltech.com/investors/governance-policies.

26. DIVIDEND DISTRIBUTION POLICY

The Company has formulated and published a Dividend Distribution Policy which provides for the circumstances under which shareholders may / may not expect dividend, the financial parameters, internal and external factors, utilization of retained earnings, parameters with regard to different classes of shares. The provisions of this Policy are in line with Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Policy is available on the website of the Company at https://www.hcltech.com/investors/governance-policies. The details of the Dividend Distribution Policy forms part of the Corporate Governance Report annexed with this Report.

27. TRANSFER OF UNCLAIMED SHARES AND UNCLIAMED DIVIDEND AMOUNTS TO IEPF

Pursuant to the provisions of Section 124 of the Companies Act, 2013 ("Act"), the dividend amounts which have remained unpaid or unclaimed for a period of seven consecutive years from the date of declaration have been transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government pursuant to Section 125 of the Act. The details of the unpaid / unclaimed dividend amounts which will be transferred to IEPF in the subsequent years are given in the Corporate Governance section of the Annual Report.

Further, according to the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), the shares in respect of which dividends have not been paid or claimed by the shareholders for seven consecutive years or more were also required to be transferred to the demat account created by the IEPF Authority. Accordingly, during the year, the Company transferred 78,973 equity shares of the Company to the demat account of the IEPF Authority. The details of such shares are available on the website of the Company at https://www.hcltech.com/investors/iepf-details.

28. DEPOSITS

The Company has not accepted any deposits from public.

29. CORPORATE GOVERNANCE

The Corporate Governance Report, in terms of Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with the Statutory Auditors certificate is attached and forms part of this Annual Report.

30. BUSINESS RESPONSIBILITY REPORT

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates inclusion of Business Responsibility Report ("BRR") as part of the Annual Report for top 500 listed companies based on market capitalization. In Compliance with the regulation, the Company has prepared a Business Responsibility Report ("BRR") which describes the initiatives taken by the Company from an environmental, social and governance

perspective for the financial year 2017-18 and forms part of this Annual Report.

31. INSIDER TRADING REGULATIONS

Pursuant to the provision under SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of Conduct to Regulate, Monitor and Report Trading by Insiders ('Insider Trading Code') and a Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information ('Fair Disclosure Code') which are in force. The Fair Disclosure Code is available on the website of the Company at https://www.hcltech.com/investors/governance-policies.

32. AWARDS AND RECOGNITIONS

Your Company relentlessly pursues excellence and is delighted to receive phenomenal share of recognitions and awards this year, not only from the media, but also from analysts, governing bodies, academic institutions, partners and even customers Some of the key honors received during the year include:

1. At the 2017 BMA B2 Marketing Awards, the Company was awarded for excellence in various categories such as 'Existing Customer Retention and Growth'; 'Corporate Brand / Identity Program'; 'Digital Advertising'; 'Social Media'; 'Custom Publishing'; 'Sports Marketing', and 'Marketer of the Year'. Further, The Asian Customer Engagement Forum (ACEF) awarded the Company for 'Best Publication Capability Category' and 'Excellence in Brand management'.

2. The Company was bestowed with the Everest Group PEAK Matrix 'Service Provider of the Year™ 2017' award for 'Cloud and Infrastructure Services (CIS)'.

3. The Company positioned as a leader in the Gartner Magic Quadrant for Data Center Outsourcing and Infrastructure Utility Services in Europe, 2017.

4. At the 'National CSR Leadership Congress & Awards 2017', presented by the World CSR Congress, HCL Foundation has been conferred with 'Best Innovation in CSR' award for its role in promoting a more sustainable and equitable society.

5. In continued recognition of its innovative HR best practices, the Company was felicitated with gold awards at the 2017 Brandon Hall Group Excellence Awards under the categories of:

    - 'Best Advance in HR Data Analytics' category for 'New Employee Turnover & Retention – Predictive Analytics'
    - 'Best Inclusion and Diversity Strategy' category for 'Gender Diversity at HCL America, Inc., a step down wholly owned subsidiary of the Company'
    - 'Best Advance in Women's Leadership Development' category for 'Women's Leadership Development Program'

6. The Company's Business Services has been conferred with 'Excellence in Automation' award at the 'CMO Outsourcing Excellence Awards 2017' hosted by CMO Asia in Singapore. The Company showcased how its service capabilities in automation, management philosophy, employee engagement policies and innovation, are transforming the entire customer journey for excellence.

7. DRYiCE™ COPA (Cognitive Orchestrated Process Autonomics) Platform that applies A.I. to drive enterprise–wide process automation & orchestration won the 'Best Innovation in RPA' at the prestigious AIconics – the world's only independently judged AI awards, at the AI Summit San Francisco.

8. The Company's Red Ladder Initiative was recognized as the finalist at the 14th Annual Stevie Awards for Women in Business in the category – 'Women Helping Women'. The 'Red Ladder' initiative helps women at the workplace, identifying high performing leaders and supporting them towards effective leadership roles.

9. The Company was conferred with 'The key to the Heart of Gothenburg' award by Business Region Göteborg, Sweden, for being one of the most important international businesses established in 2016 / 2017 and undertaking significant investments, including launch of new delivery centre and acquisition of Volvo's external IT business.

10. The IT Services Marketing Association (ITSMA) felicitated the Company among 2017 Marketing Excellence Awards Winners for:

    - 'Best-in-class' in 'Transforming Marketing for Digital Leadership' by creating an agile, data–driven marketing organization through frugal digital transformation.
    - Executing a 360–degree integrated campaign for 'Driving business with Thought Leadership' by leveraging the Company's first global survey on IoT Adopters and a thought paper with MIT Sloan Management Review.

11. At the Kapost Customer Awards 2017, which recognize 'The Best of the Best in B2B Content Operations', the

Company was awarded the 'Biggest Transformation of 2017' for automating the content and digital marketing operations across the business.

12. The Company's Business Services has been conferred with 'NASSCOM Customer Excellence Awards 2017' in 'Return on Investment' category for driving digital transformation for a leading UK–based banking organization. The Company showcased how it deployed the three lever BPM for digital transformation roadmap of the bank, enabling faster service delivery, greater visibility across teams and transparency of volumes and productivity.

13. The Company positioned in the Leadership zone for its Aerospace Engineering and Medical Devices services in the Zinnov Zones 2017 Product Engineering Services report.

14. The Company has been named a Top Employer in the United Kingdom by The Top Employers Institute for the twelfth consecutive year in recognition of its best–in–class employee engagement and people practices.

33. SUSTAINABILITY

The Company believes in a better tomorrow and based on this strong belief has embarked on a Sustainability 2020 programme. The Company's continuous focus on improving all aspects of sustainability demonstrates its commitment to a sustainable tomorrow without compromising on the well-being of its employees today. To do this, the Company partners with multiple stakeholders to form an inclusive working group to create policies, processes and other organizational measures. Today, the Sustainability Department runs a multi-layered corporate program to drive the sustainability vision.

The ongoing success of the programme depends on a consistent and sustainable vision, ease and flexibility of implementation and most importantly Employee Engagement. At HCL, sustainability actions are a part of everyday operations. It believes that responsible investments in sustainability will generate long term value for all the stakeholders by improving competitiveness and reducing risk.

Sustainability can be created when we are able to integrate broader societal concerns into business strategy and performance as part of the Company's business model. This common sense of ownership can be realized by incorporating the interests of all those with whom the Company has mutually dependent relationships.

34. ORGANIZATION EFFECTIVENESS

Employee Strength and Expansion

The Company has reached an employee strength of 1,20,000+ and has successfully delivered an industry leading revenue per employee. Company continued its focus on talent localization strategy in global locations, which we started in the last 10 years and it is working well for us. Under the banner of the New Vistas program, our operations in tier-2 cities in India like Madurai, Lucknow, Coimbatore, Vijayawada and Nagpur houses close to 6,900 employees.

In FY18, human resource function continued to build on its organization strategy of - Mode 1-2-3. Our various initiatives were focused to simplify HR function, impacting entire hire to retire cycle, enhancing employee experience by delivering distinctive people practices. HR function collaborated with business for enhanced business value addition by driving operational efficiencies and effective organization design.

Talent Acquisition, Talent Development & Career Management

Talent acquisition & talent management practices are aligned to our Mode 1-2-3 strategy. We have leveraged Digital technologies to enhance the quality and experience of our Talent Acquisition, Talent Development and Career management programs.

Talent Acquisition

With an impressive gross hiring of about 33,700 professionals across the globe, we leveraged artificial intelligence & data science to hire the right talent at the right time. We deployed "Intelligent Neural Network" engine that searches through the database of a million+ candidate records & supports our talent acquisition along with prescriptive insights.

Training / Talent Development

The Company believes in LEARN.. UNLEARN... RELEARN. This is a continuous process, and it will bring in new models of employment and force organizations to rethink Future of Work and Workplace.

We shifted focus on enhancing the business value through increasing passion, proficiency and value by enabling our employees to drive Performance, Productivity and Innovation. Our training approach at client and business line level has helped our employees to proactively identify training needs and deepen their skills in new technologies.

- Last year, our employees invested 1.6 million hours in training to enhance and learn new skills resulting in training of over 70,000 unique employees
- Over 15,000 employees were trained on digital skills

Talent Development's prime focus is to enhance the behavioral and leadership competencies of the Individual Contributors, Managers & Leaders.

In alignment to our Mode 1-2-3 strategy, Talent Development at the Company is committed to incorporate the next-gen skills and competencies to our employees. Our research with globally benchmarked vendors, L&D associations & research agencies led us to identify the new age competencies practiced industry wide and capability development initiatives that align to Individual and Managerial Development.

Career Management

Career Connect 2.0 is a prescriptive career recommendation platform, leveraging big data to provide a career concierge service to employees, suggesting career paths, learning, mentors & jobs at the Company relevant to the employee's profile:

- The value is to provide intelligent career paths to over 100 thousand employees for internal opportunities which has resulted in designing and closing over 8,000 Career Development Plans for our employees.
- The Career-Connect 2.0 not only helps employees to choose career paths as a prescriptive analytics engine but also suggests shortlisted internal jobs basis their profile, instead of looking from a whole list of jobs available.
- The pilot of the platform is progressing well as we have already witnessed over 66,000 hits and it will be ready for mass deployment over the next 2 quarters.

Diversity

As an organisation, the Company focuses on enhancing awareness and advocacy to understand and accept diversity and inclusion; be it gender, culture, ethnicity or ability. The Company truly believes in building Relationships Beyond the Contract, and therefore, our focus on women advancement is not just limited to internal employees but externally also in the communities we operate in.

The Company has taken a three-tiered approach to improve gender diversity and inclusion outcomes which has helped us sustain our overall gender diversity rate at 24%. The three key elements of the Company's gender diversity strategy involve:

1. Leadership commitment and extensive ongoing advocacy to address the unconscious bias in the workplace
2. On-boarding multiple stakeholders and driving the agenda based on diversity and inclusion goals of the respective unit, wherein the framework is global but the implementation is to suit varied business and location needs
3. Two enabling programs for women leadership development which are based on formal mentoring.
    - ASCEND is the key diversity initiative which provides a platform to women leaders for their career development through range of experiential learning, powering up the network, and creating visibility in the leadership forums. The program's key elements include Creation of DAPs, Mentoring by senior leaders, Peer Mentoring, Action Learning Projects, and Leadership Webinar Series.
    - The second program is called 'Stepping Stones', which is a focused career development program to enable mid-level Women employees to realise their career aspirations and potential to help them in their developmental journey.

The Company has also launched 'iBelieve – Company's Second Career Program for Women' a platform for women to restart their tech careers after a break. The program was launched in Chennai recently, though the Company will be extending this program to other locations too. The program focuses on refreshing the candidates existing skills and provides training on new age technologies to make them future ready. To be eligible, applicants must have had a career break of 2 to 6 years after a minimum of 2 years of work experience. Women who meet the eligibility criteria will undergo a rigorous selection process where they are assessed on their current knowledge and are allocated a suitable job role & salary commensurate to their previous experience. The training period varies from 1 month to 3 months depending on the candidates skill proficiency assessed during the selection process. The program has received overwhelming response and candidates are currently undergoing assessments as part of the selection process.

These initiatives along with our Networking & Advocacy sessions – "iMotivate", "Feminspiration", "Women Connect", "BlogHer" wherein successful women leaders address the aspiring young leaders, help HCLites gain insight into successful leadership as well as understand perspectives on gender matters.

Recognition of HCL Culture and Engagement Practices across the world

To reinforce alignment of core beliefs, and actions, the Company continues to transform its policies, processes and practices. This has further enabled and empowered the employees, a fact that has been well recognized by various industry forums and leading associations.

HCL Continues to be Employer of Choice across the globe

- In FY 18, the Company has been named as one of the most sought-after employers in India. Surpassing its peers and major contenders from other industries in LinkedIn ranking, the Company ranks at **#6 amongst all industries** put together & at no. 1 amongst IT Services company to feature in the Top 10 attractive employer for the second consecutive year by LinkedIn.
- The Company was recognized as the **Top Employer in UK for the Twelfth consecutive year** by **Top Employers Institute, UK** for its distinctive culture and employment practices among which Ideaprenuership plays a major role.

Leadership Development Programs & Gender Diversity Recognized Globally

- The Company is committed to gender diversity which reflects in our practices and initiatives like "**Ascend**" – our **women leadership development flagship program** where senior women leaders are given a platform to learn & exhibit transformational leadership which won Gold award in **Best Advance in women leadership development** by **Brandon Hall Group**.
- One of the wholly owned subsidiaries of the Company, HCL America, Inc., was also recognized for **Best diversity & Inclusion strategy** for Gender Diversity showcasing our programs for women career development programs by Brandon Hall.
- Superior learning experience delivered through our asset Harvard learning program **Certified HCL Career Program** enables leaders to manage projects effectively through gamified learning has been recognized by **Leap vault.** This Practice is winning Awards globally from past 3 Quarters & making the Company Proud.
- Brandon Hall Recognised **Sharpen the Saw practice** with **Silver** of the Company in **Best Advance in leadership development.**

Our Social Career Development & Advanced Talent Analytics has become industry benchmarks

- The Company's flagship social career navigation platform Career connect has been recognized as Excellence in Practice by ATD (Association of Talent Development) as it enables crowdsourced career management for its employees through peers, colleagues and its managers to design a disruptive career path. This is introduced to design the individual's Career Path in the organization in line with their aspirations.
- The Company's New employee turnover & retention-predictive analytics practice have won Gold in Best Advance in HR Data analytics by Brandon Hall.

35. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Disclosures of particulars as required under Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 to the extent applicable to the Company, are set out in Annexure 5 to this Report.

36. DIRECTORS' RESPONSIBILITY STATEMENT

A statement of responsibility of the Directors relating to compliance with the financial accounting and reporting requirements in respect of the financial statements, as specified under Section 134(3)(c) of the Act, is annexed as Annexure 6 to this Annual Report.

37. STOCK OPTIONS PLANS

1999 Stock Option Plan / 2000 Stock Option Plan / 2004 Stock Option Plan

The details of these plans have been annexed as Annexure 7 to this Annual Report.

38. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Sl. No.	Name of Director	Ratio to median remuneration of employees
Executive Director		
1.	Mr. Shiv Nadar*	66.58
Non-Executive Directors		
2.	Mr. Keki Mistry	8.93
3.	Mr. Ramanathan Srinivasan	14.58
4.	Ms. Robin Ann Abrams	15.57
5.	Ms. Roshni Nadar Malhotra	10.24
6.	Mr. Subramanian Madhavan	10.67
7.	Mr. Sudhindar Krishna Khanna	7.92
8.	Dr. Sosale Shankara Sastry	12.10
9.	Mr. Thomas Sieber	11.21
10.	Ms. Nishi Vasudeva	8.59
11.	Mr. Deepak Kapoor^	-

The remuneration of Non-Executive Directors also includes sitting fees paid during the year.

**The ratio has been calculated after taking into account the remuneration drawn from the Company as well as the subsidiaries.*

^Mr. Deepak Kapoor was appointed as Director w.e.f. July 26, 2017. Hence, the said information is incomparable and not provided.

b. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Sl. No.	Name of Director / Key Managerial Personnel	% increase in remuneration in the financial year
Directors		
1.	Mr. Shiv Nadar(1)	(66.25)
2.	Mr. Keki Mistry	4.04
3.	Mr. Ramanathan Srinivasan	4.15
4.	Ms. Robin Ann Abrams	1.71
5.	Ms. Roshni Nadar Malhotra	18.89
6.	Mr. Subramanian Madhavan	5.82
7.	Mr. Sudhindar Krishna Khanna	0.34
8.	Dr. Sosale Shankara Sastry	4.80
9.	Mr. Thomas Sieber	(2.96)
10.	Ms. Nishi Vasudeva(2)	-
11.	Mr. Deepak Kapoor(3)	-
Key Managerial Personnel		
12.	Mr. C. Vijayakumar (President and Chief Executive Officer)(4)	-
13.	Mr. Anil Kumar Chanana (Chief Financial Officer)	5.59
14.	Mr. Manish Anand (Company Secretary)	8.73

The remuneration of Non-Executive Directors also includes sitting fees paid during the year.

(1) The % has been calculated after taking into account the remuneration drawn from the Company as well as the subsidiaries.

(2) Ms. Nishi Vasudeva was appointed as Director w.e.f. August 1, 2016. Hence, the said information is incomparable and not provided.

(3) Mr. Deepak Kapoor was appointed as Director w.e.f. July 26, 2017. Hence, the said information is incomparable and not provided.

(4) Mr. C. Vijayakumar was appointed as the President and Chief Executive Officer w.e.f October 20, 2016. Hence, the said information is incomparable and not provided.

c. The percentage increase in the median remuneration of employees in the financial year: 3.20%

d. The number of permanent employees on the rolls of Company: There were 50,853 permanent employees on the rolls of the Company. In addition, the Company had 69,228 number of employees on the rolls of its subsidiaries.

e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: The average annual increase was 3.20%. There is 3.00% increase in the managerial remuneration during the year.

f. Affirmation that the remuneration is as per the remuneration policy of the Company: The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

39. STATEMENT OF EMPLOYEES PURSUANT TO RULE 5(2) THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A list containing top ten employees in terms of the remuneration drawn in the financial year 2017-18 and a statement containing the names of the employees employed throughout the financial year and in receipt of remuneration of ₹1.02 crores or more and employees

employed for part of the year and in receipt of ₹8.50 lacs or more per month, pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as Annexure 8 to this Annual Report.

40. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including Directors of the Company to report genuine concerns and to ensure strict compliance with ethical and legal standards across the Company. The provisions of this Policy are in line with the provisions of the Section 177(9) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and is available on the website of the Company at https://www.hcltech.com/investors/governance-policies. The details of Whistle Blower Policy forms part of the Corporate Governance Report annexed with this Annual Report.

41. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Prevention and Redressal of Sexual Harassment at Work Place Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has constituted a committee for the redressal of all sexual harassment complaints. These matters are also being reported to the Audit Committee. The details of the Policy and the complaints are given under Corporate Governance Report and Business Responsibility Report respectively.

42. ACKNOWLEDGEMENTS

The Board wishes to place on record its appreciation of the significant contributions made by the employees of the Company and its subsidiaries during the year under review. The Company has achieved impressive growth through the competence, hard work, solidarity, cooperation and support of employees at all levels. Your Directors thank the customers, vendors and other business associates for their continued support in the Company's growth. Your Directors also wish to thank the Government Authorities, Banks and Shareholders for their cooperation and assistance extended to the Company.

For and on behalf of the Board of Directors

SHIV NADAR
Chairman and Chief Strategy Officer

Place: Noida (U.P.), India
Date: May 02, 2018

Annexure-1 to the Directors' Report

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

The Members,

HCL Technologies Limited

806, Siddharth 96, Nehru Place

New Delhi-110019

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by HCL Technologies Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and Not Applicable

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) As confirmed and certified by the management specifically applicable to the Company based on their sector / industry are:

  (a) The Special Economic Zone Act, 2005

  (b) Policy relating to Software Technology Parks of India and its regulations

  (c) The Indian Copyright Act, 1957

  (d) The Patents Act, 1970

  (e) The Trade Marks Act, 1999

  (f) The Indian Telegraph Act, 1885

  (g) The Indian Wireless Telegraphy Act, 1933

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance (except in cases where meetings were convened at a shorter notice for which necessary approvals obtained as per applicable provisions), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company had made a Buy Back of 3.5 Crores equity shares of the Company and the said event deemed to have major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Date: April 30, 2018
Place: Delhi

Chandrasekaran Associates
Company Secretaries

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS No.: 1644
Certificate of Practice No.: 715

Note: This report is to be read with our letter of even date which is annexed as Annexure- A and form an integral part of this report.

Annexure-A to the Secretarial Audit Report

The Members,

HCL Technologies Limited

806, Siddharth 96, Nehru Place

New Delhi-110019

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the random test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: April 30, 2018
Place: Delhi

Chandrasekaran Associates
Company Secretaries

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS No.:1644
Certificate of Practice No.: 715

Annexure 2 to the Directors' Report

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2018
(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014)

I. **REGISTRATION & OTHER DETAILS:**

1	CIN	L74140DL1991PLC046369
2	Registration Date	12 November 1991
3	Name of the Company	HCL Technologies Limited
4	Category / Sub-category of the Company	Public Company Limited by Shares
5	Address of the Registered office & contact details	806, Siddharth, 96, Nehru Place, New Delhi- 110019 Telefax: +91-11-26436336
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any	Alankit Assignments Limited 205-208, Anarkali Market, Jhandewalan Extension, New Delhi- 110055, India Tel.: +91-11-42541234, 23541234 Fax: +91-11-42541967

II. **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Computer Programming, Consultancy and Related Activities	620	100

III. **PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

S. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	HCL Comnet Systems and Services Ltd. 806, Siddharth, 96, Nehru Place, New Delhi-110019	U74899DL1993PLC056665	Subsidiary	100	2(87)
2	HCL Comnet Ltd. 806, Siddharth, 96, Nehru Place, New Delhi-110019	U74899DL2001PLC111951	Subsidiary	100	2(87)
3	HCL Global Processing Services Ltd. 806, Siddharth, 96, Nehru Place, New Delhi-110019	U72300DL1995PLC069891	Subsidiary	100	2(87)
4	HCL Eagle Limited 806, Siddharth, 96, Nehru Place, New Delhi-110019	U72200DL2011PLC225052	Subsidiary	100	2(87)
5	HCL Foundation 806, Siddharth, 96, Nehru Place, New Delhi-110019	U85100DL2014NPL274786	Subsidiary	100	2(87)
6	HCL Bermuda Ltd. Canon's Court 22, Victoria Street, Hamilton HM 12, Bermuda	Not Applicable	Subsidiary	100	2(87)

S. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
7	HCL Great Britain Ltd. Axon Centre, Church Road, Egham, Surrey TW20 9QB, UK	-do-	Subsidiary	100	2(87)
8	HCL (Netherlands) BV Prinses Margrietplantseon 50, unit E9.02, 2595BR 's-Gravenhage, Netherland	-do-	Subsidiary	100	2(87)
9	HCL GmbH Frankfurter Strasse 63-69, D-65760 ESCHBORN, Germany	-do-	Subsidiary	100	2(87)
10	HCL Belgium NV Lozenburg 22 Bus 3, B-1932, Zaventem, Belgium	-do-	Subsidiary	100	2(87)
11	HCL Sweden AB Sveavagen 21, 4 tr, 111 34 Stockholm, Sweden	-do-	Subsidiary	100	2(87)
12	HCL Italy SRL Vimodrone (MI) via Luigi Cadorna N. 73, Milan 20090, Italy	-do-	Subsidiary	100	2(87)
13	HCL Australia Services Pty. Ltd. C / 0- Mitchell & Partners Suite 3, Level 2, 66 Clarence Street, Sydney NSW 2000, Australia	-do-	Subsidiary	100	2(87)
14	HCL (New Zealand) Ltd. C / o ilumin Ltd,1st Floor, 79 Taranaki Street, Wellington 6011, New Zealand	-do-	Subsidiary	100	2(87)
15	HCL Hong Kong SAR Ltd. 803A, Allied Kajima Building, No 138 Gloucester Road, Wanchai, Hong Kong	-do-	Subsidiary	100	2(87)
16	HCL Japan Ltd. 19F, NBF Hibiya Building, 1-1-7, Uchisiwal-cho Chiyoda-Ku, Tokyo, Postal Code-100-0011, Japan	-do-	Subsidiary	100	2(87)
17	HCL America, Inc. 330, Potrero Ave, Sunnyvale, California 94085, USA	-do-	Subsidiary	100	2(87)
18	HCL Technologies Austria GmbH Karlsplatz 3 / 19, 1010 Wien, Austria	-do-	Subsidiary	100	2(87)
19	HCL Singapore Pte. Ltd. 8, Shenton Way, 33-03, AXA Tower, Singapore 068811	-do-	Subsidiary	100	2(87)
20	HCL Technologies Solutions Ltd. 501-503, Fourth Floor, Oxford House, No. 15, Rustam Bagh, Main Road, off. Airport Road (old), Behind Manipal Hospital, Bangalore-560017	U72900KA1999PLC026077	Subsidiary	100	2(87)
21	HCL Poland sp. z o.o Zabierzów 32-080, Krakowska 280 Street, Poland	Not Applicable	Subsidiary	100	2(87)

S. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
22	HCL Technologies (Shanghai) Limited Suites 301, Floor 3, Building No. 2, Lane 399, Shengxia Road, Zhangjiang Hi tech park, Free Trade Zone, Shanghai	-do-	Subsidiary	100	2(87)
23	HCL EAS Ltd. Axon Centre, Church Road, Egham, Surrey, TW20 9QB, England	-do-	Subsidiary	100	2(87)
24	Axon Group Ltd. Axon Centre, Church Road, Egham, Surrey, TW20 9QB, England	-do-	Subsidiary	100	2(87)
25	HCL Axon Technologies Inc. 55 City Centre Drive, Unit# 303 Mississauga Ontario L5B 1M3, Canada	-do-	Subsidiary	100	2(87)
26	HCL Technologies Solutions Gmbh Kirchgasse 24 8024 Zurich Switzerland	-do-	Subsidiary	100	2(87)
27	Axon Solutions Pty. Limited Mitchell & Partners, Suite 3, Level 2, 66 Clarence Street, Sydney, NSW 2000, Australia	-do-	Subsidiary	100	2(87)
28	Axon Solutions Limited Axon Centre, Church Road, Egham, Surrey, TW20 9QB, England	-do-	Subsidiary	100	2(87)
29	HCL Axon Malaysia Sdn. Bhd. L5E-1B Enterprise 4, Technology Park Malaysia, Lebuhraya Puchong Sg. Besi, Bukit Jalil, 57000 Kuala Lumpur, Malaysia	-do-	Subsidiary	100	2(87)
30	Axon Solutions Singapore Pte. Ltd. 519, Balestier Road, #03 - 01 Le Shantier Singapore 329852	-do-	Subsidiary	100	2(87)
31	Axon Solutions (Shanghai) Co. Ltd. Room 23508-23510, Building 14, 498 Guoshoujing Road, Shanghai, China	-do-	Subsidiary	100	2(87)
32	HCL Axon (Proprietary) Ltd. GMI House, Harlequins Office Park, 164, Totius Street, Groenkloof, Pretoria, 0027, South Africa	-do-	Subsidiary	70	2(87)
33	HCL Insurance BPO Services Limited 2nd Floor, No. 1, Croydon, 12-16, Addiscombe Road, Croydon, U.K.	-do-	Subsidiary	100	2(87)
34	HCL Argentina s.a. 25 de Mayo 489, 3rd Floor, Buernos Aires, Argentina	-do-	Subsidiary	100	2(87)
35	HCL Mexico S. de R.L. Avenida Empresarios 135 PISO 2 Puerta DE Hierro Jalisco 45116, Mexico	-do-	Subsidiary	100	2(87)
36	HCL Technologies Romania s.r.l. Office 2, Room 5, Semi-basement, 15-17 Helesteului street, 1st District, Bucharest, Romania	-do-	Subsidiary	100	2(87)

S. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
37	HCL Hungary kft H-1143 Budapest, Stefánia u. 101-103. Hungary	-do-	Subsidiary	100	2(87)
38	HCL Latin America Holding LLC 1209, Orange Street, Wilmington, Delaware 19808, USA	-do-	Subsidiary	100	2(87)
39	HCL (Brazil) Technologia da informacao Ltda. Rua do Rócio, n.º 220, 04º andar, conjunto n.º 42, edifício Atrium, Vila Olímpia, CEP: 04552-903, Brazil	-do-	Subsidiary	100	2(87)
40	HCL Technologies Denmark Aps Tuborg Boulevard 12, 3, 2900 Hellerup, Denmark	-do-	Subsidiary	100	2(87)
41	HCL Technologies Norway AS Dronning Eufemias Gate 6, 0191 Oslo, Norway	-do-	Subsidiary	100	2(87)
42	PT HCL Technologies Indonesia GD One Pacific Place, LT 15 SCBD JL, Jend Sudirman KAV 52-53, Senayan, Kebayoran Baru, Jakarta, Selatan, DKI Jakarta 12190, Indonesia	-do-	Subsidiary	100	2(87)
43	HCL Technologies South Africa (Proprietary) Limited GMI House, Harlequins Office Park, 164, Toitus Street, Groenkloof, Pretoria 0027, South Africa	-do-	Subsidiary	70	2(87)
44	HCL Arabia LLC AL Olaya Street, Al Aqariya Plaza, Office NO.203, Riyadh-12244, Kingdom of Saudi Arabia	-do-	Subsidiary	100	2(87)
45	HCL Technologies Philippines, Inc. Net Cube Center, 3rd Avenue Corner, 30th Street, E-Square Zone, Bonifacio Global City, Taguig City, Metro, Manila 1634 Philippines	-do-	Subsidiary	100	2(87)
46	HCL Technologies France 13 / 15, Rue, Taitbout, Paris, France	-do-	Subsidiary	100	2(87)
47	Filial Espanola De HCL Technoloiges S.L. Paseo de la Castellana, 35, 2 Planta 28046 Madrid, Spain	-do-	Subsidiary	100	2(87)
48	Anzospan Investments Pty. Ltd GMI House, Harlequins Office Park, 164, Toitus Street, Groenkloof, Pretoria 0027, South Africa	-do-	Subsidiary	70	2(87)
49	HCL Investments (UK) Ltd. Axon Centre, Church Road, Egham, Surrey, TW20 9QB, England	-do-	Subsidiary	100	2(87)
50	HCL America Solutions Inc. 330, Potrero Ave, Sunnyvale, California 94085, USA	-do-	Subsidiary	100	2(87)

S. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
51	HCL Technologies Chile SPA EL Golf 40 Piso, Las Condes, Santigo, CP 755-0107, Chile	-do-	Subsidiary	100	2(87)
52	HCL Technologies UK Ltd. Axon Centre, Church Road, Egham, Surrey, TW20 9QB, England	-do-	Subsidiary	100	2(87)
53	HCL Technologies B.V. Prinses Margrietplantseon 50, unit E9.02, 2595BR 's-Gravenhage, Netherland	-do-	Subsidiary	100	2(87)
54	HCL Technologies Germany GmbH Frankfurter Strasse 63-69, 65760 ESCHBORN, Germany	-do-	Subsidiary	100	2(87)
55	HCL (Ireland Information) Systems Ltd. Telephone House, 43-46, Marlbourigh Street, Dublin 1	-do-	Subsidiary	100	2(87)
56	HCL Technologies Finland Oy Keilaranta 6 02150 Espoo, Finland	-do-	Subsidiary	100	2(87)
57	HCL Technologies Belgium BVBA Lozenburg 22 Box 3, 1932, Zaventem, Belgium	-do-	Subsidiary	100	2(87)
58	HCL Technologies Sweden AB Sveavagen 21, 4 tr, 111 34 Stockholm, Sweden	-do-	Subsidiary	100	2(87)
59	HCL Technologies Italy S.P.A. Vimodrone (MI) via Luigi Cadorna N. 73, Milan 20090, Italy	-do-	Subsidiary	100	2(87)
60	HCL Technologies Columbia S.A.S., CR 7 No. 71 - 52 to A of 706, Municipio: Bogotá – Colombia.	-do-	Subsidiary	100	2(87)
61	HCL Technologies Middle East FZ-LLC, 215, Floor 2, Building 15, Dubai Internet City, Dubai, UAE	-do-	Subsidiary	100	2(87)
62	HCL Technologies Greece Single Member P.C. 62 Kifissias Avenue, 15125 Maroussi, Athens	-do-	Subsidiary	100	2(87)
63	HCL Istanbul Bilisim Teknolojileri Limited Sirketi Maslak Meydan District No:3 Veko Giz Plaza 13th Floor Apartment no:43 Room no:1302 Sariyer / Istanbul	-do-	Subsidiary	100	2(87)
64	HCL Technologies Egypt Ltd. Unit No. 01 – 2237, North Tower, Nile City Towers, 22nd Floor, Ramelt Beaulac – Corniche el – Nile – Cairo	-do-	Subsidiary	100	2(87)
65	HCL Technologies S.A. Eddificio Atrium, Piso 3, Av. Venezuela, El Rosal, Caracus, Venezuela	-do-	Subsidiary	100	2(87)
66	HCL Technologies Luxembourg SARL 42-44, Avenue de la Gare, L-1610 Luxembourg	-do-	Subsidiary	100	2(87)

S. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
67	HCL Technologies Beijing Co. Ltd. Office no. 2336, 20 / F, Taiking Financial Tower, 38 East Third Ring Road, Chaoyang District, Beijing, China	-do-	Subsidiary	100	2(87)
68	HCL Technologies (Thailand) Limited 89, AIA Capital Center, 20 / F, Room 2005-2007, Ratchadapisek Road, Kwaeng Dindaeng, Khet Dindaeng, Bangkok 10400, Thailand	-do-	Subsidiary	100	2(87)
69	HCL Technologies Estonia OU Väike-Karja 3 / Sauna 2, Tallinn, Harju county-10140, Estonia	-do-	Subsidiary	100	2(87)
70	HCL Technologies Czech Republic s.r.o Praha 4 – Nusle, Stetkova 1638 / 18, PSC 140 00	-do-	Subsidiary	100	2(87)
71	CeleritiFintech Limited Axon Centre, Chruch Road, Egham, Surrey, TW20 9QB, England	-do-	Subsidiary	51	2 (87)
72	CeleritiFinTech Australia Pty. Limited Mitchell & Partners Suite 3, Level 2, 66 Clarence Street, Sydney, NSW, 2000, Australia	-do-	Subsidiary	51	2 (87)
73	CeleritiFinTech USA Inc. 1209 Orange Street, Wilmington, Delaware 19801, New Castle County USA	-do-	Subsidiary	51	2 (87)
74	PowerTeam LLC 718, Washington Avenue, N. Suite, Minneapolis, Minnesota, 55401, USA	-do-	Subsidiary	100	2(87)
75	Concept2Silicon Systems Private Limited No. 71 / 72, 1st Floor, 6th Block, Jyoti Niwas, College Road, Industrial Layout, Koramangala, Bangalore-560095, India	U72200KA2009PTC050240	Subsidiary	100	2(87)
76	HCL Training & Staffing Services Private Limited 806, Siddharth, 96, Nehru Place, New Delhi-110019, India	U74140DL2015PTC281555	Subsidiary	100	2(87)
77	HCL Muscat Technologies LLC PO Box 29 PC 135, KOM, Sultanate of Oman	Not Applicable	Subsidiary	100	2(87)
78	CeleritiFintech Italy S.R.L. Via Luigi Cadorna 73, Vimodrone (MI) CAP 20090, Italy	-do-	Subsidiary	51	2(87)
79	CeleritiFinTech Germany GmbH Frankfurter Strasse 63-69, D-65760 ESCHBORN, Germany	-do-	Subsidiary	51	2(87)
80	Point to Point Limited Axon Centre, Church Road, Egham, Surrey, TW20 9QB, England	-do-	Subsidiary	100	2(87)
81	Point to Point Products Limited Axon Centre, Church Road, Egham, Surrey, TW20 9QB, England	-do-	Subsidiary	100	2(87)

S. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
82	HCL Technologies Lithuania UAB Vilnius City Municipality, Vilnius City, Jogailos 9	-do-	Subsidiary	100	2(87)
83	HCL Technologies (Taiwan) Ltd. (110) 18F., No. 460, Sec. 4, Xinyi, Road, Xinyi, Dist., Taipei	-do-	Subsidiary	100	2(87)
84	Geometric Americas, Inc. 50 Kirts Blvd., Suite A, Troy, MI 48084 USA	-do-	Subsidiary	100	2(87)
85	Butler America Aerospace LLC 330, Potrero Ave, Sunnyvale, California 94085, USA	-do-	Subsidiary	100	2(87)
86	Geometric Asia Pacific Pte. Ltd. 8 Shenton Way, #21-07 AXA Tower, Singapore 06881	-do-	Subsidiary	100	2(87)
87	Geometric Europe GmbH Frankfurter Ring 17, 80807 Munich, Germany	-do-	Subsidiary	100	2(87)
88	Geometric China Inc. Room 303 / 305, No 2 Building, Lane 399, Sheng Xia Road, Zhangjiang High-Tech Park, Pu Dong District, Shanghai PRC	-do-	Subsidiary	100	2(87)
89	Geometric SRL Parcul Mic 19-21, bl.2 sc.A Mezzanine, Brasov, 500386, Romania	-do-	Subsidiary	100	2(87)
90	Geometric SAS 17, Avenue Didier Daurat, Bâtiment Socrate, First Floor, 31702 Blagnac Cedex, Toulouse, France	-do-	Subsidiary	100	2(87)
91	HCL Mortgage holdings, LLC 330, Potrero Ave, Sunnyvale, California 94085, USA	-do-	Subsidiary	100	2(87)
92	HCL Technologies Corporate Services Limited Axon Centre, Church Road, Egham, United Kingdom, TW20 9QB	-do-	Subsidiary	100	2(87)
93	Urban Fulfilment Services, LLC 8744 Lucent Blvd., Second Floor, Highlands Ranch, CO, 80129	-do-	Subsidiary	100	2(87)
94	ETL Factory Limited Caledonian Exchange, 19a Canning Street, Edinburgh, Scotland, EH3 8HE.	-do-	Subsidiary	100	2(87)
95	StateStreet HCL Services (India) Pvt. Limited 806, Siddharth, 96, Nehru Place, New Delhi-110019, India	U72900DL2012FTC229698	Associate	49	2(6)
96	State Street HCL Holdings (UK) Ltd. Axon Centre, Church Road, Egham, Surrey, TW20 9QB, England	Not Applicable	Associate	49	2(6)

S. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
97	State Street HCL Services (Philippines) Inc. Science Hub, Tower 3, Campus Avenue Corner Milano St, Mckinley Hill Cyberpark, Fort Bonifacio Taguig City, Philippines	-do-	Associate	49	2(6)
98	CeleritiFintech Services Limited New Kings Court Tollgate Chandler's Ford Eastleigh Hampshire United Kingdom SO 53 3LG	-do-	Associate	49	2 (6)
99	CeleritiFinTech Services USA Inc. 1209 Orange Street, Wilmington, Delaware 19801, County of New Castle, USA	-do-	Associate	49	2 (6)
100	CeleritiFinTech Services Australia Pty. Limited 26, Talavera Road, Macquire, Park NSW 2113, Australia	-do-	Associate	49	2 (6)
101	CeleritiFintech Services Italy S.R.L. Viale Famagosta 75 Milano (MI) CAP 20142, Italy	-do-	Associate	49	2(6)
102	CeleritiFintech Services Germany, GmbH Frankfurter Strasse 63-69, D-65760 ESCHBORN, Germany	-do-	Associate	49	2(6)
103	CeleritiFintech Services India Pvt. Ltd 806, Siddharth, 96, Nehru Place, New Delhi-110019, India	U72200DL2016FTC289201	Associate	49	2(6)

IV. **SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

i) Category-wise Share Holding

Category & Name of the Shareholders (I)		No. of Shares held at the beginning of the year [As on 01-Apr-2017]				No. of Shares held at the end of the year [As on 31-Mar-2018]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters										
(1)	**Indian**									
(a)	Individuals / Hindu undivided Family	788	-	788	0.00%	788	-	788	0.00%	0.00%
(b)	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(d)	Any Other (specify)									
(i)	Body Corporates	60,32,20,704	-	60,32,20,704	42.28%	60,39,92,011	-	60,39,92,011	43.38%	1.1%
(ii)	Trust	92,50,000	-	92,50,000	0.65%	-	-	-	-	-0.65%
	Sub-Total (A)(1)	**61,24,71,492**	**-**	**61,24,71,492**	**42.93%**	**60,39,92,799**	**-**	**60,39,92,799**	**43.38%**	**0.45%**
(2)	**Foreign**	-	-	-	-	-	-	-	-	-
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-

Category & Name of the Shareholders (I)		No. of Shares held at the beginning of the year [As on 01-Apr-2017]				No. of Shares held at the end of the year [As on 31-Mar-2018]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(e)	Any Other (specify)									
(i)	Bodies Corporate	23,90,97,816	-	23,90,97,816	16.76%	23,38,87,811	-	23,38,87,811	16.80%	0.04%
	Sub-Total (A)(2)	**23,90,97,816**	**-**	**23,90,97,816**	**16.76%**	**23,38,87,811**	**-**	**23,38,87,811**	16.80%	0.04%
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		**85,15,69,308**	**-**	**85,15,69,308**	**59.68%**	**83,78,80,610**	**-**	**83,78,80,610**	**60.18%**	**0.49%**
B.	**Public Shareholding**									
(1)	**Institutions**									-
(a)	Mutual Funds	8,17,02,220	2,164	8,17,04,384	5.73%	7,35,21,935	972	7,35,22,907	5.28%	-0.45%
(b)	Venture Capital Funds	-	-	-	0.00%	-	-	-	-	-
(c)	Alternate Investment Funds	4,55,988	-	4,55,988	0.03%	0.00%	-	0.00%	0.00%	-0.03%
(d)	Foreign Venture Capital Investors	-	-	-	0.00%	-	-	-	-	-
(e)	Foreign Portfolio Investors	35,04,71,512	800	35,04,72,312	24.56%	36,94,85,367	400	36,94,85,767	26.54%	1.98%
(f)	Financial Institutions / Banks	14,40,611	796	14,41,407	0.10%	7,38,285	620	7,38,905	0.05%	-0.05%
(g)	Insurance Companies	2,67,72,988	-	2,67,72,988	1.88%	6,19,50,391	-	6,19,50,391	4.45%	2.57%
(h)	Provident Funds / Pension Funds	-	-	-	-	-	-	-	-	-
(i)	Any Other (specify)									
(i)	Foreign Banks	1,200	-	1,200	0.00%	14,800	22	14,822	0.00%	0.00%
	Sub-Total (B)(1)	**46,08,44,519**	**3,760**	**46,08,48,279**	**32.30%**	**50,57,10,778**	**2,014**	**50,57,12,792**	**36.32%**	**4.02%**
(2)	**Central Government / State Government(s) / President of India**	**-**	**-**	**-**	**-**	**78,973**	**-**	**78,973**	**0.01%**	**0.01%**
	Sub-Total (B)(2)	**-**	**-**	**-**	**0.00%**	**78,973**	**-**	**78,973**	**0.01%**	**0.01%**
(3)	**Non-institutions**									
(a)	Individuals - i. Individual shareholders holding nominal share capital up to ₹2 lakhs	3,67,23,259	6,52,770	3,73,76,029	2.62%	3,04,38,041	5,55,592	3,09,93,633	2.23%	-0.39%
	ii. Individual shareholders holding nominal share capital in excess of ₹2 lakhs.	56,13,429	-	56,13,429	0.39%	21,09,790	-	21,09,790	0.15%	-0.24%
(b)	NBFCs registered with RBI	1,33,540	-	1,33,540	0.01%	1,32,523	-	1,32,523	0.01%	0.00%
(c)	Employee Trusts	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)									
(i)	Bodies Corporate	5,73,69,550	7,806	5,73,77,356	4.02%	40,93,748	6,028	40,99,776	0.29%	-3.73%
(ii)	Trusts	43,39,481	-	43,39,481	0.30%	37,68,441	-	37,68,441	0.27%	-0.03%
(iii)	Foreign Nationals	75,479	-	75,479	0.01%	76,080	-	76,080	0.01%	0.00%
(iv)	Non-Resident Indians	68,40,674	9,240	68,49,914	0.48%	61,44,923	8,496	61,53,419	0.44%	-0.04%
(v)	Overseas Corporate Bodies	17,244	880	18,124	0.00%	17,244	440	17,684	0.00%	0.00%
(vi)	Clearing Members	20,01,031	-	20,01,031	0.14%	8,03,701	-	8,03,701	0.06%	-0.08%
(vii)	Hindu Undivided Families	5,81,454	-	5,81,454	0.04%	4,18,962	-	4,18,962	0.03%	-0.01%
Sub-Total (B)(3)		**11,36,95,141**	**6,70,696**	**11,43,65,837**	**8.01%**	**4,80,03,453**	**5,70,556**	**4,85,74,009**	**3.49%**	**-4.52%**
Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)		**57,45,39,660**	**6,74,456**	**57,52,14,116**	**40.31%**	**55,37,93,204**	**5,72,570**	**55,43,65,774**	**39.82%**	**-0.49%**
Grand Total (A)+(B)		**1,42,61,08,968**	**6,74,456**	**1,42,67,83,424**	**100.00%**	**1,39,16,73,814**	**5,72,570**	**1,39,22,46,384**	**100.00%**	

(ii) Shareholding of Promoter-

S. No.	Shareholder's Name	Shareholding at the beginning of the year (01-Apr-2017)			Shareholding at the end of the year (31-Mar-2018)			% change in share-holding during the year
		No. of Shares	% of Total Shares of the company	%of Shares Pledged / encum-bered to total shares	No. of Shares	% of total Shares of the compa-ny	% of Shares Pledged / encum-bered to total shares	
1	Vama Sundari Investments (Delhi) Pvt. Ltd.	58,33,47,024	40.89%	-	58,76,47,744	42.21%	-	1.32%
2	HCL Corporation Private Limited*	1,23,73,680	0.87%	-	90,02,985	0.65%	-	-0.22%
3	HCL Holdings Private Limited	23,90,97,816	16.76%	-	23,38,87,811	16.80%	-	0.04%
4	Mr. Shiv Nadar	368	0.00%	-	368	0.00%	-	0.00%
5	Ms. Kiran Nadar	72	0.00%	-	72	0.00%	-	0.00%
6	Ms. Roshni Nadar Malhotra	348	0.00%	-	348	0.00%	-	0.00%
7	HCL Avitas Pvt. Ltd.	75,00,000	0.53%	-	7341282	0.53%	-	0.00%
8	Shiv Nadar Foundation* *	52,00,000	0.36%	-	-	0.00%	-	-0.36%
9	Kiran Nadar Museum of Art **	40,50,000	0.28%	-	-	0.00%	-	-0.28%
	Total	**85,15,69,308**	**59.68%**	-	**83,78,80,610**	**60.18%**	-	0.5%

** This is an Overseas Corporate Body.*

*** Mr. Shiv Nadar and / or his family members do not have any beneficial ownership of shares held by the Trusts.*

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Dates	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
Vama Sundari Investments (Delhi) Pvt. Ltd.					
01-Apr-17	At the beginning of the year	58,33,47,024	40.89	58,33,47,024	40.89
16-May-17	Shares Purchased under Block Deal through Stock Exchange (Promoters' inter-se transfer through Stock exchange)	1,24,25,000	0.87	59,57,72,024	41.75
04-Jul-17	Buyback of shares by the Company	(1,25,45,059)	(0.88)	58,32,26,965	41.90
11-Aug-17	Market Purchase	24,65,779	0.18	58,56,92,744	42.08
04-Dec-17	Market Purchase	5,00,000	0.04	58,61,92,744	42.11
05-Dec-17	Market Purchase	14,55,000	0.10	58,76,47,744	42.21
31-Mar-18	At the end of the year	58,76,47,744	42.21	58,76,47,744	42.21
HCL Corporation Private Limited					
01-Apr-17	At the beginning of the year	1,23,73,680	0.87	1,23,73,680	0.87
16-May-17	Shares Sold under Block Deal through Stock Exchange (Promoters' inter-se transfer through Stock exchange)	(31,75,000)	(0.22)	91,98,680	0.64
04-Jul-17	Buyback of shares by the Company	(1,95,695)	(0.01)	90,02,985	0.65

Dates	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
31-Mar-18	At the end of the year	90,02,985	0.65	90,02,985	0.65
HCL Holdings Private Limited					
01-Apr-17	At the beginning of the year	23,90,97,816	16.76	23,90,97,816	16.76
04-Jul-17	Buyback of shares by the Company	(52,10,005)	(0.37)	23,38,87,811	16.80
31-Mar-18	At the end of the year	23,38,87,811	16.80	23,38,87,811	16.80
Mr. Shiv Nadar					
01-Apr-17	At the beginning of the year	368	0.00	368	0.00
31-Mar-18	At the end of the year	368	0.00	368	0.00
Ms. Kiran Nadar					
01-Apr-17	At the beginning of the year	72	0.00	72	0.00
31-Mar-18	At the end of the year	72	0.00	72	0.00
Ms. Roshni Nadar Malhotra					
01-Apr-17	At the beginning of the year	348	0.00	348	0.00
31-Mar-18	At the end of the year	348	0.00	348	0.00
HCL Avitas Private Ltd.					
01-Apr-17	At the beginning of the year	75,00,000	0.53	75,00,000	0.53
04-Jul-17	Sale of shares under Buyback	(1,58,718)	(0.01)	73,41,282	0.53
31-Mar-18	At the end of the year	73,41,282	0.53	73,41,282	0.53
Shiv Nadar Foundation *					
01-Apr-17	At the beginning of the year	52,00,000	0.36	52,00,000	0.36
16-May-17	Shares Sold under Block Deal through Stock Exchange (Promoters' inter-se transfer through Stock exchange)	(52,00,000)	(0.36)	-	0.00
31-Mar-18	At the end of the year	-	-	-	-
Kiran Nadar Museum of Art *					
01-Apr-17	At the beginning of the year	40,50,000	0.28	40,50,000	0.28
16-May-17	Shares Sold under Block Deal through Stock Exchange (Promoters' inter-se transfer through Stock exchange)	(40,50,000)	(0.28)	-	-
31-Mar-18	At the end of the year	-	-	-	-

** Mr. Shiv Nadar and / or his family members do not have any beneficial ownership in the shares held by the Trusts.*

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of Total Shares of the Company	No. of shares	% of total Shares of the Company
1	At the beginning of the year	Refer Annexure 2A			
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
3	At the end of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel:

Dates	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
Mr. Shiv Nadar, Managing Director					
01-Apr-17	At the beginning of the year	368	0.00	368	0.00
31-Mar-18	At the end of the year	368	0.00	368	0.00
Ms. Roshni Nadar Malhotra, Director					
01-Apr-17	At the beginning of the year	348	0.00	348	0.00
31-Mar-18	At the end of the year	348	0.00	348	0.00
Mr. S. Madhavan, Director					
01-Apr-17	At the beginning of the year	2,661	0.00	2,661	0.00
03-Apr-17	Market Purchase	39	0.00	2,700	0.00
04-Jul-17	Buyback of shares by the Company	(59)	0.00	2,641	0.00
06-Nov-17	Market Sale	(70)	0.00	2,571	0.00
07-Nov-17	Market Sale	(71)	0.00	2,500	0.00
31-Mar-18	At the end of the year	2,500	0.00	2,500	0.00
Mr. C. Vijayakumar, President and CEO					
01-Apr-17	At the beginning of the year	1,10,200	0.01	1,10,200	0.01
04-Jul-17	Buyback of shares by the Company	(4,351)	(0.00)	1,05,849	0.01
31-Oct-17	Market Purchase	10,000	0.00	1,15,849	0.01
02-Nov-17	Market Purchase	25,000	0.00	1,40,849	0.01
31-Mar-18	At the end of the year	1,40,849	0.01	1,40,849	0.01
Mr. Anil Chanana, CFO					
01-Apr-17	At the beginning of the year	1,39,012	0.01	1,39,012	0.01
04-Jul-17	Buyback of shares by the Company	(5,489)	(0.00)	1,33,523	0.01
18-Sep-17	Market Sale	(20,000)	(0.00)	1,13,523	0.01
19-Sep-17	Market Sale	(12,134)	(0.00)	1,01,389	0.01

Dates	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
20-Sep-17	Market Sale	(11,000)	(0.00)	90,389	0.01
31-Mar-18	At the end of the year	90,389	0.01	90,389	0.01
Manish Anand, CS					
01-Apr-17	At the beginning of the year	19,204	0.00	19,204	0.00
04-Jul-17	Buyback of shares by the Company	(758)	(0.00)	18,446	0.00
31-Mar-18	At the end of the year	18,446	0.00	18,446	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(₹ in crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	45	-	-	45
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**45**	**-**	**-**	**45**
Change in Indebtedness during the financial year				
* Addition	19	-	-	19
* Reduction	(16)	-	-	(16)
Net Change	**3**	**-**	**-**	**3**
Indebtedness at the end of the financial year				
i) Principal Amount	48	-	-	48
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**48**	**-**	**-**	**48**

Note:The Company has availed of term loans of ₹48 crores (Previous year ₹45 crores) secured by hypothecation of gross block of vehicles.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

(₹ in crores)

S.No.	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount
		Shiv Nadar	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u / s 17(2) Income-tax Act, 1961	1.60	1.60
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-

S.No.	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount
		Shiv Nadar	
4	Commission - as % of profit - others, specify…	-	-
5	Others, please specify	-	-
	-Provident Fund		
	-Medical	0.02	0.02
	-Misc. Reimbursement	0.02	0.02
	Total (A)	**1.64**	**1.64**
	Ceiling as per the Act (5% of net profits of the Company calculated under section 198 of the Companies Act, 2013)		465.46

Note: In addition, Mr. Shiv Nadar received salary and perquisites equivalent to ₹3.35 crores from a subsidiary of the Company.

B. Remuneration to other Directors

(₹ in crores)

S. No.	Particulars of Remuneration	Fee for attending board / committee meetings	Commission	Others, please specify	Total Amount
1	**Independent Directors**				
	Mr. Keki Mistry*	0.01	0.66	-	0.67
	Mr. Ramanathan Srinivasan	0.01	1.08	-	1.09
	Ms. Robin Ann Abrams	0.02	1.15	-	1.17
	Dr. Sosale Shankara Sastry	0.01	0.90	-	0.91
	Mr. Subramanian Madhavan	0.04	0.76	-	0.80
	Mr. Thomas Sieber	0.01	0.83	-	0.84
	Ms. Nishi Vasudeva	0.02	0.62	-	0.64
	Mr. Deepak Kapoor**	0.02	0.42	-	0.44
	Total (1)	0.14	**6.42**	**-**	**6.56**
2	**Other Non-Executive Directors**				
	Ms. Roshni Nadar Malhotra	0.02	0.75	-	0.77
	Mr. Sudhindar Krishna Khanna	0.01	0.58	-	0.59
	Total (2)	**0.03**	**1.33**	**-**	**1.36**
	Total (B)=(1+2)	**0.17**	**7.75**	**-**	**7.92**
	Overall Ceiling as per the Act (1% of net profits of the Company calculated under section 198 of the Companies Act, 2013)				93.09
	Total Managerial Remuneration(A+B)				**9.56**

** Mr. Keki Mistry resigned as an Independent Director of the Company w.e.f. April 30, 2018*

***Mr. Deepak Kapoor was appointed as a Director of the Company w.e.f. July 26, 2017.*

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

(₹ in crores)

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. C Vijayakumar, Chief Executive Officer*	Mr. Anil Chanana, Chief Financial Officer**	Mr. Manish Anand, Company Secretary	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	4.73	0.72	**5.45**
	(b) Value of perquisites u / s 17(2) Income-tax Act, 1961	-	0.01	0.00	**0.01**
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	**-**
2	Stock Option	-	-	-	**-**
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify…	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	**-**	**4.74**	**0.72**	**5.46**

Notes:

**Mr. C Vijayakumar is not getting any remuneration from the Company however, he has received ₹33.13 crores as remuneration from a subsidiary of the Company.*

***In addition, Mr. Anil Chanana received ₹3.32 crores as remuneration from a subsidiary of the Company.*

Mr. Anant Gupta, who was the President & CEO of the Company in the previous financial year received from the Company ₹8.18 crores in the current financial year in full and final settlement of his dues.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	**NIL**				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	**NIL**				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	**NIL**				
Punishment					
Compounding					

Annexure - 2A to the Directors' Report

HCL TECHNOLOGIES LIMITED

Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Date	Shareholder Name	Shareholding		Cummulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
ICICI PRUDENTIAL MUTUAL FUND					
1-Apr-17	**Opening Balance**	**-**	**-**	**20,240,225**	**1.42**
7-Apr-17	Sale	(94,281)	(0.01)	20,145,944	1.41
11-Apr-17	Sale	(131,641)	(0.01)	20,014,303	1.40
21-Apr-17	Purchase	76,470	0.01	20,090,773	1.41
28-Apr-17	Sale	(335,465)	(0.02)	19,755,308	1.38
5-May-17	Purchase	47,766	0.00	19,803,074	1.39
12-May-17	Sale	(323,467)	(0.02)	19,479,607	1.37
19-May-17	Sale	(151,471)	(0.01)	19,328,136	1.35
25-May-17	Sale	(620,091)	(0.04)	18,708,045	1.31
2-Jun-17	Sale	(53,839)	(0.00)	18,654,206	1.31
9-Jun-17	Sale	(1,260,794)	(0.09)	17,393,412	1.22
16-Jun-17	Sale	(7,890)	(0.00)	17,385,522	1.22
23-Jun-17	Purchase	1,230,533	0.09	18,616,055	1.30
30-Jun-17	Sale	(242,741)	(0.02)	18,373,314	1.29
7-Jul-17	Purchase	472,202	0.03	18,845,516	1.35
14-Jul-17	Purchase	740,637	0.05	19,586,153	1.41
21-Jul-17	Purchase	1,714	0.00	19,587,867	1.41
28-Jul-17	Purchase	219,998	0.02	19,807,865	1.42
4-Aug-17	Purchase	564,937	0.04	20,372,802	1.46
11-Aug-17	Purchase	904,936	0.07	21,277,738	1.53
18-Aug-17	Purchase	606,600	0.04	21,884,338	1.57
25-Aug-17	Purchase	496,511	0.04	22,380,849	1.61
1-Sep-17	Purchase	959,049	0.07	23,339,898	1.68
8-Sep-17	Purchase	348,307	0.03	23,688,205	1.70
13-Sep-17	Purchase	309,314	0.02	23,997,519	1.72
14-Sep-17	Sale	(155,554)	(0.01)	23,841,965	1.71
15-Sep-17	Purchase	231	0.00	23,842,196	1.71
22-Sep-17	Purchase	425	0.00	23,842,621	1.71
29-Sep-17	Sale	(1,675,803)	(0.12)	22,166,818	1.59
7-Oct-17	Purchase	774,412	0.06	22,941,230	1.65
13-Oct-17	Sale	(402,665)	(0.03)	22,538,565	1.62
20-Oct-17	Purchase	686	0.00	22,539,251	1.62
27-Oct-17	Sale	(166,537)	(0.01)	22,372,714	1.61
31-Oct-17	Purchase	2,210,055	0.16	24,582,769	1.77
3-Nov-17	Purchase	1,256,550	0.09	25,839,319	1.86
10-Nov-17	Purchase	64,942	0.00	25,904,261	1.86
17-Nov-17	Sale	(1,576,587)	(0.11)	24,327,674	1.75
24-Nov-17	Purchase	763,897	0.05	25,091,571	1.80
1-Dec-17	Purchase	680,106	0.05	25,771,677	1.85
8-Dec-17	Purchase	1,345,174	0.10	27,116,851	1.95
15-Dec-17	Sale	(13,156)	(0.00)	27,103,695	1.95
22-Dec-17	Sale	(220,040)	(0.02)	26,883,655	1.93
29-Dec-17	Sale	(87,288)	(0.01)	26,796,367	1.92
5-Jan-18	Purchase	169,447	0.01	26,965,814	1.94
12-Jan-18	Purchase	19,461	0.00	26,985,275	1.94
19-Jan-18	Sale	(178,987)	(0.01)	26,806,288	1.93

Date	Shareholder Name	Shareholding		Cummulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
26-Jan-18	Sale	(1,240,094)	(0.09)	25,566,194	1.84
30-Jan-18	Sale	(227,328)	(0.02)	25,338,866	1.82
2-Feb-18	Purchase	84,487	0.01	25,423,353	1.83
9-Feb-18	Purchase	398	0.00	25,423,751	1.83
16-Feb-18	Purchase	361,707	0.03	25,785,458	1.85
23-Feb-18	Sale	(1,053,050)	(0.08)	24,732,408	1.78
2-Mar-18	Sale	(288,128)	(0.02)	24,444,280	1.76
9-Mar-18	Sale	(984,750)	(0.07)	23,459,530	1.69
16-Mar-18	Sale	(1,036,664)	(0.07)	22,422,866	1.61
23-Mar-18	Sale	(766,398)	(0.06)	21,656,468	1.56
30-Mar-18	Sale	(644,886)	(0.05)	21,011,582	1.51
31-Mar-18	**Balance at the end of the Year**	**-**	**-**	**21,011,582**	**1.51**
LAZARD EMERGING MARKETS EQUITY PORTFOLIO					
1-Apr-17	**Opening Balance**	**-**	**-**	**12,674,651**	**0.89**
7-Jul-17	Sale	(266,887)	(0.02)	12,407,764	0.89
29-Sep-17	Sale	(504,277)	(0.04)	11,903,487	0.86
7-Oct-17	Sale	(286,308)	(0.02)	11,617,179	0.83
15-Dec-17	Sale	(265,077)	(0.02)	11,352,102	0.82
31-Mar-18	**Balance at the end of the Year**	**-**	**-**	**11,352,102**	**0.82**
NOMURA INDIA INVESTMENT FUND MOTHER FUND					
1-Apr-17	**Opening Balance**	**-**	**-**	**6,793,697**	**0.48**
28-Apr-17	Purchase	100,000	0.01	6,893,697	0.48
26-May-17	Purchase	332,292	0.02	7,225,989	0.51
2-Jun-17	Purchase	1,426,405	0.10	8,652,394	0.61
9-Jun-17	Purchase	552,035	0.04	9,204,429	0.65
16-Jun-17	Purchase	250,000	0.02	9,454,429	0.66
23-Jun-17	Purchase	300,000	0.02	9,754,429	0.68
7-Jul-17	Sale	(272,204)	(0.02)	9,482,225	0.68
28-Jul-17	Purchase	1,421,556	0.10	10,903,781	0.78
31-Oct-17	Purchase	363,017	0.03	11,266,798	0.81
31-Mar-18	**Balance at the end of the Year**	**-**	**-**	**11,266,798**	**0.81**
ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED					
1-Apr-17	**Opening Balance**	**-**	**-**	**19,832,206**	**1.39**
7-Apr-17	Purchase	135,586	0.01	19,967,792	1.40
11-Apr-17	Purchase	192,187	0.01	20,159,979	1.41
21-Apr-17	Sale	(157,550)	(0.01)	20,002,429	1.40
28-Apr-17	Purchase	81,152	0.01	20,083,581	1.41
5-May-17	Purchase	281,118	0.02	20,364,699	1.43
12-May-17	Sale	(87,089)	(0.01)	20,277,610	1.42
19-May-17	Sale	(8,216)	(0.00)	20,269,394	1.42
25-May-17	Sale	(1,296)	(0.00)	20,268,098	1.42
26-May-17	Sale	(53,522)	(0.00)	20,214,576	1.42
2-Jun-17	Purchase	155,607	(0.01)	20,370,183	1.43
9-Jun-17	Sale	(142,178)	(0.01)	20,228,005	1.42
16-Jun-17	Purchase	13,617	0.00	20,241,622	1.42
23-Jun-17	Purchase	39,908	0.00	20,281,530	1.42

Date	Shareholder Name	Shareholding		Cummulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
30-Jun-17	Sale	(166,957)	(0.01)	20,114,573	1.41
7-Jul-17	Sale	(249,787)	(0.02)	19,864,786	1.43
14-Jul-17	Purchase	135,485	0.01	20,000,271	1.44
21-Jul-17	Sale	(19,328)	(0.00)	19,980,943	1.44
28-Jul-17	Sale	(404,842)	(0.03)	19,576,101	1.41
4-Aug-17	Sale	(31,699)	(0.00)	19,544,402	1.40
11-Aug-17	Sale	(56,932)	(0.00)	19,487,470	1.40
18-Aug-17	Sale	(24,555)	(0.00)	19,462,915	1.40
25-Aug-17	Sale	(1,657)	(0.00)	19,461,258	1.40
1-Sep-17	Sale	(48,638)	(0.00)	19,412,620	1.39
8-Sep-17	Purchase	228,163	0.02	19,640,783	1.41
13-Sep-17	Purchase	73,843	0.01	19,714,626	1.42
14-Sep-17	Purchase	66,792	0.00	19,781,418	1.42
22-Sep-17	Purchase	5,641	0.00	19,787,059	1.42
29-Sep-17	Purchase	155,832	0.01	19,942,891	1.43
7-Oct-17	Purchase	227,387	0.02	20,170,278	1.45
13-Oct-17	Purchase	370,352	0.03	20,540,630	1.48
20-Oct-17	Purchase	26,716	0.00	20,567,346	1.48
27-Oct-17	Sale	(46,547)	(0.00)	20,520,799	1.47
31-Oct-17	Purchase	8,818	0.00	20,529,617	1.47
3-Nov-17	Purchase	1,303	0.00	20,530,920	1.47
10-Nov-17	Purchase	1,575	0.00	20,532,495	1.47
17-Nov-17	Sale	(38,345)	(0.00)	20,494,150	1.47
24-Nov-17	Purchase	1,729	0.00	20,495,879	1.47
1-Dec-17	Sale	(2,047)	(0.00)	20,493,832	1.47
8-Dec-17	Sale	(257,552)	(0.02)	20,236,280	1.45
15-Dec-17	Sale	(240,055)	(0.02)	19,996,225	1.44
22-Dec-17	Sale	(42,082)	(0.00)	19,954,143	1.43
29-Dec-17	Purchase	49,631	0.00	20,003,774	1.44
5-Jan-18	Sale	(61,854)	(0.00)	19,941,920	1.43
12-Jan-18	Sale	(39,002)	(0.00)	19,902,918	1.43
19-Jan-18	Sale	(117,267)	(0.01)	19,785,651	1.42
26-Jan-18	Sale	(88,636)	(0.01)	19,697,015	1.41
30-Jan-18	Purchase	494	0.00	19,697,509	1.41
2-Feb-18	Purchase	1,471	0.00	19,698,980	1.41
9-Feb-18	Sale	(37,492)	(0.00)	19,661,488	1.41
16-Feb-18	Sale	(35,884)	(0.00)	19,625,604	1.41
23-Feb-18	Sale	(4,708)	(0.00)	19,620,896	1.41
2-Mar-18	Sale	(19)	(0.00)	19,620,877	1.41
9-Mar-18	Sale	(4,551)	(0.00)	19,616,326	1.41
16-Mar-18	Sale	(121,615)	(0.01)	19,494,711	1.40
23-Mar-18	Purchase	226,641	0.02	19,721,352	1.42
30-Mar-18	Purchase	241,957	0.02	19,963,309	1.43
31-Mar-18	**Balance at the end of the Year**	**-**	**-**	**19,963,309**	**1.43**
LIFE INSURANCE CORPORATION OF INDIA					
1-Apr-17	**Opening Balance**	**-**	**-**	**27,242,217**	**1.91**
2-Jun-17	Sale	(1,798,826)	(0.13)	25,443,391	1.78
9-Jun-17	Sale	(2,422,135)	(0.17)	23,021,256	1.61
16-Jun-17	Sale	(227,793)	(0.02)	22,793,463	1.60
7-Jul-17	Sale	(573,633)	(0.04)	22,219,830	1.60

Date	Shareholder Name	Shareholding		Cummulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
26-Jan-18	Sale	(236,164)	(0.02)	21,983,666	1.58
30-Jan-18	Sale	(444,463)	(0.03)	21,539,203	1.55
2-Feb-18	Sale	(405,904)	(0.03)	21,133,299	1.52
9-Feb-18	Sale	(427,000)	(0.03)	20,706,299	1.49
16-Feb-18	Sale	(956,504)	(0.07)	19,749,795	1.42
23-Feb-18	Sale	(389,588)	(0.03)	19,360,207	1.39
2-Mar-18	Sale	(352,678)	(0.03)	19,007,529	1.37
9-Mar-18	Sale	(453,298)	(0.03)	18,554,231	1.33
16-Mar-18	Sale	(19,084)	(0.00)	18,535,147	1.33
31-Mar-18	**Balance at the end of the Year**	**-**	**-**	**18,535,147**	**1.33**
ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED					
1-Apr-17	**Opening Balance**	**-**	**-**	**9,116,701**	**0.64**
7-Apr-17	Sale	(100,000)	(0.01)	9,016,701	0.63
28-Apr-17	Sale	(1,083)	(0.00)	9,015,618	0.63
5-May-17	Sale	(496,300)	(0.03)	8,519,318	0.60
12-May-17	Sale	(302,500)	(0.02)	8,216,818	0.58
19-May-17	Sale	(5,500)	(0.00)	8,211,318	0.58
25-May-17	Purchase	15,840	0.00	8,227,158	0.58
2-Jun-17	Purchase	9,000	0.00	8,236,158	0.58
7-Jul-17	Sale	(322,887)	(0.02)	7,913,271	0.57
21-Jul-17	Sale	(112,669)	(0.01)	7,800,602	0.56
28-Jul-17	Sale	(70,000)	(0.01)	7,730,602	0.56
4-Aug-17	Purchase	17,684	0.00	7,748,286	0.56
18-Aug-17	Purchase	770	0.00	7,749,056	0.56
25-Aug-17	Sale	(1,885)	(0.00)	7,747,171	0.56
1-Sep-17	Purchase	2,207	0.00	7,749,378	0.56
13-Sep-17	Sale	(3,932)	(0.00)	7,745,446	0.56
14-Sep-17	Sale	(168)	(0.00)	7,745,278	0.56
22-Sep-17	Sale	(15,197)	(0.00)	7,730,081	0.56
29-Sep-17	Sale	(11,893)	(0.00)	7,718,188	0.55
7-Oct-17	Purchase	519,000	0.04	8,237,188	0.59
27-Oct-17	Sale	(122,735)	(0.01)	8,114,453	0.58
31-Oct-17	Purchase	42,000	0.00	8,156,453	0.59
3-Nov-17	Purchase	27,000	0.00	8,183,453	0.59
17-Nov-17	Purchase	1,320	0.00	8,184,773	0.59
24-Nov-17	Sale	(101,500)	(0.01)	8,083,273	0.58
1-Dec-17	Sale	(174)	(0.00)	8,083,099	0.58
8-Dec-17	Purchase	273,500	0.02	8,356,599	0.60
15-Dec-17	Purchase	172,987	0.01	8,529,586	0.61
22-Dec-17	Purchase	465,122	0.03	8,994,708	0.65
29-Dec-17	Purchase	10,001	0.00	9,004,709	0.65
12-Jan-18	Purchase	7,870	0.00	9,012,579	0.65
19-Jan-18	Purchase	273,160	0.02	9,285,739	0.67
26-Jan-18	Sale	(288,000)	(0.02)	8,997,739	0.65
2-Feb-18	Sale	(117,600)	(0.01)	8,880,139	0.64
9-Feb-18	Sale	(8,390)	(0.00)	8,871,749	0.64
16-Feb-18	Purchase	149,593	0.01	9,021,342	0.65
23-Feb-18	Sale	(90,000)	(0.01)	8,931,342	0.64
2-Mar-18	Sale	(1,300)	(0.00)	8,930,042	0.64
9-Mar-18	Purchase	5,183	0.00	8,935,225	0.64

Date	Shareholder Name	Shareholding		Cummulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
16-Mar-18	Sale	(53,100)	(0.00)	8,882,125	0.64
23-Mar-18	Sale	(215,267)	(0.02)	8,666,858	0.62
30-Mar-18	Purchase	17,655	0.00	8,684,513	0.62
31-Mar-18	**Balance at the end of the Year**	**-**	**-**	**8,684,513**	**0.62**
VANGUARD EMERGING MARKETS STOCK INDEX FUND					
1-Apr-17	Opening Balance	-	-	8,739,218	0.61
7-Apr-17	Purchase	104,531	0.01	8,843,749	0.62
28-Apr-17	Purchase	9,590	0.00	8,853,339	0.62
5-May-17	Purchase	76,720	0.01	8,930,059	0.63
12-May-17	Purchase	23,975	0.00	8,954,034	0.63
19-May-17	Purchase	51,786	0.00	9,005,820	0.63
2-Jun-17	Purchase	21,098	0.00	9,026,918	0.63
7-Jul-17	Sale	(238,727)	(0.02)	8,788,191	0.63
14-Jul-17	Purchase	23,075	0.00	8,811,266	0.63
4-Aug-17	Purchase	20,306	0.00	8,831,572	0.63
11-Aug-17	Purchase	26,767	0.00	8,858,339	0.64
25-Aug-17	Purchase	29,886	0.00	8,888,225	0.64
1-Sep-17	Purchase	91,381	0.01	8,979,606	0.65
8-Sep-17	Purchase	47,073	0.00	9,026,679	0.65
13-Sep-17	Purchase	42,458	0.00	9,069,137	0.65
7-Oct-17	Purchase	27,690	0.00	9,096,827	0.65
13-Oct-17	Purchase	28,613	0.00	9,125,440	0.66
20-Oct-17	Purchase	21,229	0.00	9,146,669	0.66
27-Oct-17	Purchase	19,383	0.00	9,166,052	0.66
22-Dec-17	Sale	(86,552)	(0.01)	9,079,500	0.65
26-Jan-18	Purchase	41,219	0.00	9,120,719	0.66
30-Jan-18	Purchase	36,834	0.00	9,157,553	0.66
23-Mar-18	Sale	(185,074)	(0.01)	8,972,479	0.64
30-Mar-18	Sale	(41,900)	(0.00)	8,930,579	0.64
31-Mar-18	**Balance at the end of the Year**	**-**	**-**	**8,930,579**	**0.64**
ROBECO CAPITAL GROWTH FUNDS					
1-Apr-17	**Opening Balance**	**-**	**-**	**3,627,608**	**0.25**
7-Apr-17	Purchase	18,564	0.00	3,646,172	0.26
5-May-17	Purchase	193,566	0.01	3,839,738	0.27
19-May-17	Purchase	608,706	0.04	4,448,444	0.31
25-May-17	Purchase	543,606	0.04	4,992,050	0.35
9-Jun-17	Sale	(1,164)	(0.00)	4,990,886	0.35
7-Jul-17	Sale	(197,093)	(0.01)	4,793,793	0.34
21-Jul-17	Sale	(15,400)	(0.00)	4,778,393	0.34
28-Jul-17	Sale	(30,838)	(0.00)	4,747,555	0.34
11-Aug-17	Sale	(687)	(0.00)	4,746,868	0.34
25-Aug-17	Purchase	231,812	0.02	4,978,680	0.36
1-Sep-17	Purchase	65,000	0.00	5,043,680	0.36
8-Sep-17	Purchase	92,719	0.01	5,136,399	0.37
13-Sep-17	Purchase	48,404	0.00	5,184,803	0.37
29-Sep-17	Purchase	129,100	0.01	5,313,903	0.38
7-Oct-17	Purchase	186,843	0.01	5,500,746	0.40
13-Oct-17	Purchase	406,996	0.03	5,907,742	0.42

Date	Shareholder Name	Shareholding		Cummulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
27-Oct-17	Purchase	606,290	0.04	6,514,032	0.47
3-Nov-17	Purchase	70,161	0.01	6,584,193	0.47
10-Nov-17	Purchase	563,109	0.04	7,147,302	0.51
17-Nov-17	Purchase	82,500	0.01	7,229,802	0.52
24-Nov-17	Purchase	100,000	0.01	7,329,802	0.53
1-Dec-17	Purchase	113,000	0.01	7,442,802	0.53
8-Dec-17	Purchase	2,144	0.00	7,444,946	0.53
15-Dec-17	Purchase	79,837	0.01	7,524,783	0.54
22-Dec-17	Sale	(1,550)	(0.00)	7,523,233	0.54
12-Jan-18	Purchase	287,096	0.02	7,810,329	0.56
19-Jan-18	Purchase	120,000	0.01	7,930,329	0.57
26-Jan-18	Purchase	158,779	0.01	8,089,108	0.58
2-Mar-18	Purchase	309,402	0.02	8,398,510	0.60
23-Mar-18	Purchase	2,532	0.00	8,401,042	0.60
31-Mar-18	**Balance at the end of the Year**	**-**	**-**	**8,401,042**	**0.60**
SBI MUTUAL FUND					
1-Apr-17	**Opening Balance**	**-**	**-**	**12,706,790**	**0.89**
7-Apr-17	Sale	(88,622)	(0.01)	12,618,168	0.88
11-Apr-17	Purchase	140,242	0.01	12,758,410	0.89
21-Apr-17	Purchase	221,218	0.02	12,979,628	0.91
28-Apr-17	Purchase	643,052	0.05	13,622,680	0.95
5-May-17	Purchase	24,219	0.00	13,646,899	0.96
12-May-17	Purchase	21,392	0.00	13,668,291	0.96
19-May-17	Purchase	129,649	0.01	13,797,940	0.97
25-May-17	Purchase	18,718	0.00	13,816,658	0.97
26-May-17	Purchase	2,072	0.00	13,818,730	0.97
2-Jun-17	Purchase	123,341	0.01	13,942,071	0.98
9-Jun-17	Purchase	203,007	0.01	14,145,078	0.99
16-Jun-17	Sale	(15,161)	(0.00)	14,129,917	0.99
23-Jun-17	Purchase	63,809	0.00	14,193,726	0.99
30-Jun-17	Purchase	4,820	0.00	14,198,546	1.00
7-Jul-17	Sale	(275,372)	(0.02)	13,923,174	1.00
14-Jul-17	Sale	(345,115)	(0.02)	13,578,059	0.98
21-Jul-17	Purchase	99,071	0.01	13,677,130	0.98
28-Jul-17	Sale	(282,215)	(0.02)	13,394,915	0.96
4-Aug-17	Purchase	185,037	0.01	13,579,952	0.98
11-Aug-17	Purchase	53,166	0.00	13,633,118	0.98
18-Aug-17	Purchase	36,467	0.00	13,669,585	0.98
25-Aug-17	Purchase	45,485	0.00	13,715,070	0.99
1-Sep-17	Purchase	141,457	0.01	13,856,527	1.00
8-Sep-17	Sale	(144,881)	(0.01)	13,711,646	0.99
13-Sep-17	Purchase	11,194	0.00	13,722,840	0.99
14-Sep-17	Purchase	9,371	0.00	13,732,211	0.99
15-Sep-17	Purchase	9,392	0.00	13,741,603	0.99
22-Sep-17	Sale	(195,806)	(0.01)	13,545,797	0.97
29-Sep-17	Sale	(86,877)	(0.01)	13,458,920	0.97
7-Oct-17	Purchase	25,448	0.00	13,484,368	0.97
13-Oct-17	Purchase	1,729,991	0.12	15,214,359	1.09
20-Oct-17	Purchase	35,779	0.00	15,250,138	1.10
27-Oct-17	Sale	(970,093)	(0.07)	14,280,045	1.03

Date	Shareholder Name	Shareholding		Cummulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
31-Oct-17	Purchase	6,049	0.00	14,286,094	1.03
3-Nov-17	Purchase	7,496	0.00	14,293,590	1.03
10-Nov-17	Purchase	6,835	0.00	14,300,425	1.03
17-Nov-17	Purchase	42,464	0.00	14,342,889	1.03
24-Nov-17	Sale	(52,081)	(0.00)	14,290,808	1.03
1-Dec-17	Sale	(65,073)	0.00	14,225,735	1.02
8-Dec-17	Purchase	52,100	0.00	14,277,835	1.03
15-Dec-17	Purchase	48,163	0.00	14,325,998	1.03
22-Dec-17	Purchase	54,606	0.00	14,380,604	1.03
29-Dec-17	Purchase	36,976	0.00	14,417,580	1.04
5-Jan-18	Purchase	423,341	0.03	14,840,921	1.07
12-Jan-18	Purchase	14,115	0.00	14,855,036	1.07
19-Jan-18	Purchase	911,156	0.07	15,766,192	1.13
26-Jan-18	Sale	(699,516)	(0.05)	15,066,676	1.08
30-Jan-18	Sale	(10,087)	(0.00)	15,056,589	1.08
2-Feb-18	Sale	(346,539)	(0.02)	14,710,050	1.06
9-Feb-18	Sale	(40,636)	(0.00)	14,669,414	1.05
16-Feb-18	Purchase	39,283	0.00	14,708,697	1.06
23-Feb-18	Sale	(214,494)	(0.02)	14,494,203	1.04
2-Mar-18	Purchase	77,776	0.01	14,571,979	1.05
9-Mar-18	Sale	(158,435)	(0.01)	14,413,544	1.04
16-Mar-18	Purchase	67,368	0.00	14,480,912	1.04
23-Mar-18	Purchase	101,295	0.01	14,582,207	1.05
30-Mar-18	Purchase	62,237	0.00	14,644,444	1.05
31-Mar-18	**Balance at the end of the Year**	**-**	**-**	**14,644,444**	**1.05**
ARTISAN INTERNATIONAL VALUE FUND					
1-Apr-17	**Opening Balance**	**-**	**-**	**15,749,743**	**1.10**
5-May-17	Purchase	105,357	0.01	15,855,100	1.11
7-Oct-17	Purchase	635,323	0.05	16,490,423	1.18
27-Oct-17	Purchase	1,199,274	0.09	17,689,697	1.27
10-Nov-17	Purchase	896,082	0.06	18,585,779	1.34
17-Nov-17	Purchase	2,010,419	0.14	20,596,198	1.48
8-Dec-17	Purchase	4,200	0.00	20,600,398	1.48
31-Mar-18	**Balance at the end of the Year**	**-**	**-**	**20,600,398**	**1.48**

Note: Since, the shares of the Company are traded on a daily basis, the dates of above sale / purchase have been derived from the Beneficiary position statements received from Depositories.

Annexure - 3 to the Directors' Report

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

During the financial year ended March 31, 2018, the Company has transferred its entire shareholding of HCL Training & Staffing Services Private Limited ("HCL TSS"), a wholly owned subsidiary of the Company to HCL Comnet Limited, another wholly owned subsidiary of the Company for an aggregate cash consideration of ₹2.35 crores. Post the transfer of shareholding, HCL TSS has become a direct wholly-owned subsidiary of HCL Comnet and a step-down wholly-owned subsidiary of the Company.

The transaction has been undertaken between the Company and its wholly-owned subsidiaries and HCL TSS has been transferred within the HCL Group. Therefore, there has been no overall impact on the Company on a consolidated basis.

2. Details of material contracts or arrangement or transactions at arm's length basis

(a) Name(s) of the related party and nature of relationship

HCL America Inc., ('HCLA') a wholly owned step down subsidiary of the Company in United States of America.

(b) Nature of contracts / arrangements / transactions

Rendering / obtaining of services, product sales and other miscellaneous income.

(c) Duration of the contracts / arrangements / transactions

Ongoing.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

HCLT shall (i) provide IT / ITES services to the existing and new clients of HCLA including various support and general administrative services as may be required from time to time; (ii) HCLA shall provide IT / ITES services including the sales and marketing support services to HCLT (iii) both the parties shall diligently perform their respective obligation under the contracts in timely manner and provide services in accordance with the work order issued by the customer, (iv) both the parties shall submit invoices on timely basis for the services provided for each project to each other as per the terms of contract and promptly pay the same, (v) be responsible for all the expenses incurred in connection with providing its services and(vi) comply with the local, state and federal laws and regulations applicable while providing services. The total value of transactions entered into with HCLA during the period from April 1, 2017 to March 31, 2018 is ₹ 8,228 crores.

(e) Date(s) of approval by the Board, if any:

Not applicable, since the contract was entered into in the ordinary course of business and on arm's length basis.

(f) Amount paid as advances, if any:

Nil.

For and on behalf of the Board of Directors

SHIV NADAR
Chairman and Chief Strategy Officer

Place: Noida (U.P.), India
Date: May 02, 2018

Annexure - 4 to the Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The objective of the CSR policy ("Policy") of the Company is to lay down guidelines for proper execution of CSR activities of the Company so as to support the sustainable development of the society. The Company has set up HCL Foundation to focus on the CSR activities of the Company. The CSR activities, projects and programmes undertaken by the Company shall be those as approved by the CSR committee and are covered under the areas set out in Schedule VII of the Companies Act, 2013. The Company is doing CSR expenditure in Education, Infrastructure, Women Development, Health, Environment Sustainability, Benefit of Armed Forces, Promoting Gender Equality and Disaster Management. Details of the CSR policy are on the website of the Company at https://www.hcltech.com/investors/governance-policies.

2. The composition of the CSR Committee.

CSR Committee comprises of Ms. Roshni Nadar Malhotra (Chairperson), Mr. Shiv Nadar and Mr. Subramanian Madhavan.

3. Average net profit of the company for last three financial years. ₹6,716.63 crores

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) ₹134.33 crores

5. Details of CSR spent during the financial year

(a) Total amount to be spent for the financial year: ₹134.33 crores
(b) Amount unspent, if any; ₹43.11 crores
(c) Manner in which the amount spent during the financial year is detailed below.

Sl. No	CSR Project or Activity Identified NGO Partner / Direct implementation	Sector in which project is covered	Projects or Programs (1) Local area or other (2) specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or program wise (₹ crores)	Amount spent on the projects or programs sub-heads: (1) Direct expenditure (2) Overheads (₹ crores)	Cumulative expenditure upto the reporting period (₹ crores)	Amount spent Direct or through implementing agency (₹ crores)
1	Kochi Biennale Foundation	Improving the arts and culture	Cochin	0.55	0.55	0.55	Through Implementing Partner
2	Childhood Enhancement Through Training and Action, Community Aid and Sponsorship Programme, Going to School, Hope Foundation, Lions Club Of Gunidy High School, Meljol, Mukti Rehabilitation Centre, Myrada, Oferr- Organisation for Eelam Refugees-Rehabilitation, Ramakrishna Vivekananda Mission, Rasta, Reaching Hand, Saksham Trust.	Improving the quality of education	Noida, Delhi, Lucknow, Bihar, Uttar Pradesh, Chennai, Maharashtra, Jharkhand, Kolkata, Bangalore, Tamil Nadu	8.87	8.14	8.14	Through Implementing Partner
3	Ankur Yuva Chetna Shivir	Improving the quality of education with focus on digital literacy and prevention of Child sexual abuse	Lucknow	0.23	0.23	0.23	Through Implementing Partner
4	Bodh Shiksha Samiti	Evolution of a system equitable and quality education and development for all children	Noida	0.28	0.28	0.28	Through Implementing Partner
5	Round Table India Trust	Creating an Environment that Enables Quality Education	Noida	0.53	0.28	0.28	Through Implementing Partner
6	Don Bosco Anbu Illam	Protects and Promotes Child Rights through Education	Chennai	0.47	0.47	0.47	Through Implementing Partner
7	RCSB -Sightsavers	Inclusive education for children with visual impairment (CVIs)	Bihar / Rajasthan / West Bengal	0.74	0.74	0.74	Through Implementing Partner

Sl. No	CSR Project or Activity Identified NGO Partner / Direct implementation	Sector in which project is covered	Projects or Programs (1) Local area or other (2) specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or program wise (₹ crores)	Amount spent on the projects or programs sub-heads: (1) Direct expenditure (2) Overheads (₹ crores)	Cumulative expenditure upto the reporting period (₹ crores)	Amount spent Direct or through implementing agency (₹ crores)
8	Aide Et Action(India), Brookings Institution India Centre, Mamta Health Institute for Mother & Child, Mobile Creches for Working Mothers Child, Ramakrishna Mission Students Home, Rural Development Council, Sahyog Care for You, After school coaching centres, skill development training, IT Labs, health care and sanitation	Improving the quality of education, health care and livelihood enhancement Programme	Bangalore, Chennai, Delhi, Madurai, Lucknow, Noida	13.00	7.92	7.92	Through Implementing Partner, Through HCL Foundation
9	CARITAS INDIA, Kaziranga Multipurpose Woman Society	Improving the health care and education for the people affected in disaster	Assam, Bihar	1.20	1.20	1.20	Through Implementing Partner
10	Child in Need Institute, Community Health Education Society, Desire Society, GLRA, Kai Laxmanrao Mankar Smruti Sanstha, Pandit Deendayal Upadhyay Institute of Medical, SIP Memorial Trust, Sneha Care Home, The Banyan, Youth Health Mela,Cancer Institute (WIA)	Health care & support and medical facilities / Humanitarian Response	West Bengal, Chennai, Hyderabad, Delhi, Nagpur, Bangalore	1.84	1.84	1.84	Through Implementing Partner
11	George Institute for Global Health	Improved Health Care Programme	Vijayawada	0.26	0.26	0.26	Through Implementing Partner
12	Eleutheros Christian Society	Integrated Health approach to improve access and prevent maternal and child death.	Nagaland	1.41	1.41	1.41	Through Implementing Partner
13	Bro Siga Social Service Guild	Providing Early Childhood Care & Development (ECCD)	Chennai and Madurai	0.15	0.15	0.15	Through Implementing Partner
14	Family Planning Association of India	Sensitizing Adolescent girls on Reproductive Health	Madurai	0.02	0.02	0.02	Through Implementing Partner
15	Pravah	Youth Development through Skilling	Noida	0.38	0.21	0.21	Through Implementing Partner
16	India Vision Foundation	Reformation & Rehabilitation through Skilling	Noida / Delhi	0.04	0.04	0.04	Through Implementing Partner
17	Saint Hardayal Educational and Orphans Welfare Society	Care & Support for the Elderly	Noida	0.20	0.20	0.20	Through Implementing Partner
18	Society For Educational Improvement and Innovation	Providing Early Childhood Care & Development (ECCD)	Lucknow	0.13	0.13	0.13	Through Implementing Partner
19	Sustainable Healthcare Advancement Trust (SUHAM)	Creating Community Based Sustainable Health Systems	Tamil Nadu	0.16	0.16	0.16	Through Implementing Partner
20	Vasavya Mahila Mandali	Ensure Women Safety & Dignity	Vljayawada	0.37	0.37	0.37	Through Implementing Partner
21	EFRAH	livelihood enhancement Programme	Delhi / Noida	0.11	0.11	0.11	Through Implementing Partner
22	Project Samuday	Improving the quality of education, Health care and medical facilities, Livelihood initiatives, Solar Infrastructure, Water, sanitation and Hygiene initiatives	Uttar Pradesh	128.24	60.25	60.25	Through HCL Foundation
23	Give Me Trees Trust	Afforestation, Conservation and Preservation of Trees (Environment)	Noida	0.25	0.25	0.25	Through Implementing Partner
24	Washi	Water, sanitation and Hygiene	Madurai / Noida / Lucknow	1.44	1.44	1.44	Through Implementing Partner

Sl. No	CSR Project or Activity Identified NGO Partner / Direct implementation	Sector in which project is covered	Projects or Programs (1) Local area or other (2) specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or program wise (₹ crores)	Amount spent on the projects or programs sub-heads: (1) Direct expenditure (2) Overheads (₹ crores)	Cumulative expenditure upto the reporting period (₹ crores)	Amount spent Direct or through implementing agency (₹ crores)
25	Keystone Foundation	Enable a holistic landscape based approach to conserve and restore designated landscapes of the Nilgiri Biosphere Reserve (NBR).	TamilNadu	0.61	0.61	0.61	Through Implementing Partner
26	Humanitarian Aid International, Save The Children	Disaster Response and Preparedness	Assam / Bihar	0.63	0.63	0.63	Through Implementing Partner
27	Grant Selection Process, Power of One	Screening for Grant Awardees and for Scholarships		4.50	3.25	3.25	Through HCL Foundation
28	Overhead expenses	Administration expenses		0.10	0.04	0.04	Through HCL Foundation
29	Consultancy Expenses	Consultancy Expenses		0.30	0.19	0.19	Through HCL Foundation
Total Expenses				**167.01**	**91.37**	**91.37**	

Note:

The Company undertakes CSR activities through HCL Foundation, a Trust established by the Company and through implementing agencies. During the year, the Company has contributed ₹91.22 crores for CSR activities. The Trust also collected contribution from others to the extent of ₹3.02 crores and earned interest of ₹0.12 crores on savings bank account. The Cash balances as on April 1, 2017, and March 31, 2018 with HCL Foundation were ₹0.80 crores and ₹3.80 crores respectively.

6. Reason for not spending the prescribed amount for CSR (two per cent of the average net profit of the last three financial years or any part thereof)

The Company has primarily identified various main segments i.e. education, healthcare, community, art and culture, rural development, environment sustainability, promoting gender equality and disaster management for CSR expenditure. HCL Samuday, a flagship program of HCL Foundation, is an outcome of HCL's commitment to provide long lasting solutions in rural development. HCL Samuday works across Agriculture, Education, Health, Infrastructure, Livelihood, and Water, Sanitation & Hygiene (WASH).

The Capital Projects of Samuday (Solar electrification of villages, Piped Water Schemes & refurbishment of Public Health facilities) have a long gestation period. This is due to technical complexities, stringent procurement process, requirement of land from the government and community participation issues.

During the year, the Company has spent ₹91.22 crores on its CSR activities. As a socially responsible company, your Company is committed to increase its CSR impact over the coming years, with its aim of playing a larger role in India's sustainable development by embedding wider economic, social and environmental objectives.

7. Responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

C. Vijayakumar
President and Chief Executive Officer

Roshni Nadar Malhotra
Chairperson, Corporate Social Responsibility Committee

Place: Noida, U.P., India
Date: May 02, 2018

Annexure - 5 to the Directors' Report

Particulars pursuant to section 134 (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

a) CONSERVATION OF ENERGY

Renew Ecosystem

Being a responsible corporate, we believe that we have got accountability to the future and an imperative role to play in addressing Global Energy challenges, climate change, and Environmental Sustainability.

The Company has made a commitment to conserve the environment by adopting "Go Green Initiatives" and be responsible for energy management in its area of operations, and perform energy efficiency by consuming energy in an efficient, economical, and environment friendly manner throughout all its premises.

To conserve the environment by adopting "Go Green Initiatives" and increase operational efficiency, the initiatives and Good Practices attributed towards reduction in carbon footprint during the financial year 2017-18 (Apr 17 to Mar 18) are described below:

1. **Renewable Power Purchase**

   In continuation with our commitment to reduce carbon footprint, we have procured Green Power equal to 15,946 MWH for our major campuses during FY 17-18. The source of this power was Wind and Solar-based electricity. This much of Green Power Purchase has enabled the organisation to reduce carbon footprint of 13,076 tCO2e (Ton of Carbon Emission) over the other available power resources like Grid and Captive.

2. **Energy Efficient Lighting:**

   Energy saving and adhering to Green buildings norms is basis of designs of all our campus construction across all locations in India. LED lights are being used now in all areas including ODCs and common areas as well as the basements in all Major Campuses. Motion sensors which operate based on occupancy and movement along with Daylight harvesting feature also installed in these areas which result in optimum usage of lights and results in energy saving.

   Total Energy savings accrued in the financial year 2017-18 towards efficient LED lighting executed in all 3 major Locations (i.e. Noida, Bangalore & Chennai) continued to save 2,475 MWH of absolute energy consumption in this fiscal Year which helped organization to reduce 2,030 tCO2e (Ton of Carbon Emission).

3. **Chiller & AHU Operational Performance Improvement:**

   Water cooled chillers are also installed at most locations which consume lesser power than air cooled chillers, only in case of water deficit areas air cooled chillers are installed. VFDs (Variable frequency drives) are also being used in AHUs which result in lower power consumption by regulating the frequency of the motor depending on the return air temperature which is an indicator of the occupancy and heat load.

4. **Effective Utilization of UPS -** Effective utilization of our existing UPS systems by increasing their efficiency through shutdown of overcapacity UPSs at different locations led to save 333 MWH of absolute energy consumption in this fiscal Year, and helped to reduce 273 tCO2e (Ton of Carbon Emission) of carbon footprint.

5. **Revised operating conditions for DC cooling** - To conserve the environment by adopting "Go Green Initiatives" and increase operational efficiency, revised operating conditions of 24°C setpoint for two of the Data Centers in NCR region facilities undertaken. This helped organization to save 153 MWH of absolute energy consumption in this fiscal Year and reduce 125 tCO2e (Ton of Carbon Emission) of carbon footprint.

6. **Conversion reference Grid Emission Factors** - CO_2 Baseline Database for the Indian Power Sector.

7. **Energy saving measures in Campus Designs -**

   Energy saving and adhering to maximum green buildings norms is basis of designs of all our campus construction across all locations in India which includes our Bangalore, Chennai, Noida and Madurai & Nagpur which are currently under construction.

   All buildings are designed and oriented to maximize daylight and minimize heat gain which has an impact on usage of electrical power both on lighting and air conditioning. Hence most buildings are now being built on a North –South axis with most glazed areas in north and solid surfaces such as services and staircases oriented in west or south west.

   In all MEP services many energy saving steps are incorporated in the design which are described here under:

Electrical & Lighting:

- LED lights are only being used now in all areas including ODCs and common areas as well as the basements. As within LED suppliers also there is a variation in terms of energy consumption, these have been selected on basis of Light –power density (LPD) to minimize power consumption. We have achieved a LPD of 0.39 watts per sq. ft. to 0.42 watts per sq. ft. as against industry pattern which varies from 0.50 W / sq. ft. to 0.80 w / sq. ft.
- Daylight harvesting sensors have been installed in all ODCs which reduces power consumption by dimming the light by sensing the intensity of sunlight. For example, a light fixture which is designed for 350 lux, will operate at only 200 lux if the daylight is at 150 lux, thereby reducing power consumption by 25 to 30 percent
- Motion sensors which operate on the basis of occupancy and movement are installed in most areas which results in optimum usage of lights and results in energy saving.
- IGBT technology UPS are being used instead of SCR based UPSs.
- High Fuel efficiency DG sets are installed in all campuses which consume 10% less diesel per unit, thereby reducing carbon foot print.
- Roof top solar panels have been installed in Chennai which is producing 900 KW power and 50 KW in Bangalore. In other campuses solar power is being used for heated water requirements in the café kitchens.
- External and gardens light fixture with LED installed.

Heating Ventilation and Air conditioning:

Water cooled chillers are installed at most locations which consume lesser power than air cooled chillers, only in case of water deficit areas air cooled chillers are installed. In addition, energy saving secondary pumps which pump the chilled water to the building.

- VFDs (variable frequency drives) are being used in all AHUs which results in power consumption by regulating the frequency of the motor (Speed) depending on the return air temperature which is an indicator of the occupancy and heat load.
- VRF units are being used in all IT related rooms for post peak time operations and during working hours' floor AHUs are used to cool these areas
- Heat Recovery wheels (HRW) are installed at all locations which mix the cooler exhausted air from the air conditioned areas with fresh air (which is mostly at a much higher temperature for the fresh air requirements of the system) which results in lowering the chilled water consumption and thereby optimizing Chiller usage and electricity.
- Winter cooling system is installed in Noida campus which uses the cooler ambient fresh air to cool the building.
- EC fans (electronically commuted) fitted AHU's and mechanically ventilation systems installed in Nagpur. Higher in efficiency (90+%), low noise and better indoor air quality.

b) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The Company has made significant investments in the area of Digital Transformation which is building persona based Digital Solutions in the area of Processes, Analytics and Workplace of the future.

The Company has built Digital Solutions to bring Operational efficiencies and reduce cycle time in the area of Talent Management and Development, Talent Supply Chain Optimization and increase collaboration to foster innovation.

1. Digital @HCL

The Company has started an integrated program to drive end user and team productivity and enhance experience with a digital workplace of the future leveraging relevant technology footprints that ensure collaborative employee engagement and insightful contribution towards enrichment of business processes, capabilities and collaboration. Various persona specific enterprise asks were identified through detailed discovery sessions and solution tracks were formed to provide comprehensive solution touch points encompassing process, workplace and analytics capability interventions for Sales, Delivery, external Customer and Employee Persona.

2. Platforms of Competitive Differentiation

Sales Transformation is driven through a Digital Platform called 'Merlin' enabled with integrated State of art Systems, Analytics and Workplace of the Future capabilities with persona specific simplified user experience to drive higher productivity and performance.

Delivery transformation project is driven through a platform called “Symphony’. Pain points of Delivery specific personas are addressed using this integrated solution which provide end to end transaction visibility and actionability to drive delivery excellence and productivity. 15+ key processes are integrated in this single platform.

Engagement with customer stakeholders is transformed by leveraging a new platform called ‘HCL Engage’. This platform has all the required vitals of the current engagement along with forward looking insights for new business opportunities. More than 50+ client teams are using this platform to deliver value in customer engagements.

New data visualization self-service solution is rolled out for enabling actionable insights and decision support for senior management. Now as empowered users, they can create business scenarios and review the forecast under various use cases and thus can take informed decisions on the go.

An employee life cycles centric solution ‘emPower’ is created for driving higher level of engagement and motivation among employees. This is augmented by an autobot ‘EVA’ to support the daily transaction requirements in a conversational mode. A self-analysis tool is also rolled out for employees to analyze and manage their daily productive routine.

Apart of this, the company has moved the System of records from traditional SAP to on S4 HANA platform. Core processes including business planning and consolidation is moved to this cutting edge platform.

3. Cloud Adoption

The Company is increasingly moving to Cloud IaaS (Infrastructure as a Service) for both internal Corporate and Customer Delivery needs and moved away from investing in dedicated infrastructure. This has also resulted into reduced cycle times and higher utilization of infrastructure resources. More than 2400+ virtual instances are there our hybrid cloud setup.

4. Digital Workplace for Future

The Company has also adopted O365 productivity suite for moving email to the cloud for all employee mailboxes with disaster recovery and archival capabilities. New workloads / capabilities of O365 suite for enhancing productivity and collaboration are rolled out. Additionally, we have also provided the Enterprise mobility + security suite for our mobile workforce to securely utilize cloud based productivity services.

The company has created a new smart campus in Nagpur. It has design elements to support the new workplace concepts like borderless ODC. Smart seating, centralized access and facility management etc. Apart from enhancing employee productivity and facility utilization, this will provide flexibility to handle crisis situations and BCP scenarios as well.

The company has also launched a Unified communication platform leveraging Skype for Business environment enhancing the user experience with integrated video and audio capabilities.

5. Improved Resilience and Security posture

With a focused IT Baseline control program, the Company has further strengthened the security posture of complex heterogeneous business environment gearing towards project level compliance adherence.

Moreover, security posture is further improved with investments in Network access controls(NAC), adaptive risk based authentication, Wireless IPS and elimination of Single Point of Failures (SPOFs). Critical Delivery sites are enabled with next generation security infrastructure like Distributed Denial of Services (DDOS), web and endpoint protection against advance persistent threats etc. This is also reflected in our improved scores (consistently in top 3 among peer group) in benchmarking done by independent external security rating agencies.

6. Virtualization and consolidation

The Company has augmented its internal private cloud capacity. Currently Virtual Machines are provisioned in active mode and any new workload requirement is being provisioned following ‘Cloud First’ strategy. Public cloud offerings are seamlessly provisioned from integrated cloud portal. Enterprise storage landscape is being consolidated at hub locations. Internally, the Company offers different VDI configuration to cater to diverse engagement needs. All new requirements for end user computing (including growth and refresh) is being managed effectively by Virtual Desktops. Nearly, 30% of your company desktop landscape is fully virtualized now.

c) RESEARCH AND DEVELOPMENT (“R&D”)

(i) Specific areas in which R&D was carried out

a. Big Data Analytics

- Analytics workbench to operationalize analytics faster.
- Methods to optimize different lifecycle processes through data analytics using machine learning, natural language

processing, optimization, forecasting and other data mining algorithms.

- Create custom PMML to support neural network algorithms for models portability.
- PLM Analytics.
- Discover interesting patterns in the text data and turn text data into actionable knowledge.
- Automatic discovery of data patterns & outliers. Automatic algorithm recommendation based on the data available. Automatic identification of specific relatives in Time-Wave data.
- Deploy analytics package at edge (gateways), as embedded service & a web service.
- Video analytics & log file analysis by tokenizing and parsing.
- Model monitoring post deployment & periodic redeployment.
- Independent model learning to be integrated & fine-tuned as part of federated learning.

b. Automation

- Autonomous Test Lifecycle platform based on analytics framework for test design, execution and sustenance
- BOT creation for Software Engineering processes automation (EPA) to optimize the core SDLC activities with minimal skills required
- Distributed innovation in BOTS – Do-It-Yourself cognitive & Engineering processes automation (EPA) BOTS
- ML based knowledge BOTS
- Methods to improve customer experience by automating support processes via natural language bots, Q & A systems, multi lingual knowledge access.
- Test Automation to generate automation test scripts based on keywords for different types of applications like Web, Desktop, Mobile, embedded applications from test cases written using keywords.
- Increasing the test coverage and percentage of automation in device testing to reduce time, cost and efforts.
- OCR quality improvement and enhancement, language additions.
- Exploring different methods and types of testing in Image Capture and Comparison (using intrusive and non-intrusive method), Embedded ATSG – Automatic Test Script Generation / ATCG – Automatic Test Case Generation, keyboard and mouse simulator and robotic arms

c. Platforms

- Rapid application development with code generation using custom built drag and drop framework and tools.
- Platform for remote device monitoring and control

(ii) Benefits Derived:

- Helped in winning some strategic managed services projects from the Company's global customers.
- Improved productivity, quality and initial response time.
- Usage of the Company's IP to accelerate customer projects.
- Were able to demonstrate capability in Vehicle 2 Vehicle communications, 77 GHz Automotive radar domains to prospective customers
- Ensure traceability of code changes, to facilitate deep learning and application of analytics, by enforcing it as a gating process during code check.
- Rapid application development reduced delivery timelines for complex projects, increased win ability in competition scenarios and led to significant margin improvements in IP leveraged projects.
- Reduced the effort and time invested in manual testing using automation and improved test quality, coverage and accuracy.
- Provided single automation framework for geo-specific embedded application using OCR.
- A framework called TAF ATSG has been developed from extensive research, which is available for deployment for delivery teams to:
  - o Increase productivity and reduced timelines in creating test automation scripts in ongoing projects
  - o Help provide additional value add in multiple customer propositions to become competitive w.r.t. competition

- o Enable testers without automation skills to develop automation scripts
- o Filing of patents in the area

(iii) Future Action Plan:

- Work on new analytical use cases to optimize product support / engineering such as knowledge extraction, management and utilization, methods to identify defects early in defect cycle, reduce trouble shooting time, utilizing knowledge available on different languages, methods to help customers to solve their queries and issues via self-service.
- R&D in prescriptive, cognitive analytics & federated learning
- Automate more engineering activities such as validate defect report, defect localization, process audit, using Cognitive technologies.
- Prediction analytics on rotating equipment, fail safe systems
- On-board edge analytics in analytics workbench to operationalize edge analytics
- Service enablement of analytics predictions
- Deep learning based analytics
- License sell of IP to customers
- Development of BOTs targeting core engineering processes
- Development of self-service BOT development studio to equip engagements to become more efficient
- End-to-end delivery, integrated build, deployment and hosting of projects using drag and drop
- Explore video and audio quality automation testing which can lead to new business areas
- PoCs leveraging neuromorphic hardware for edge analytics
- Support for more test engines and languages to increase applicability for a wider range of customers
- Automation of other elements of test automation, like UI element identification, test data creation to increase the level of automation
- Increase the scope to cover non-functional testing areas

(iv) Expenditure on R&D for the years ended 31 March 2018 and 31 March 2017 are as follows:

(₹ in crores)

Particulars	Year ended	
	31 March 2018	31 March 2017
Revenue expenditure	128	115
Capital expenditure	-	-
Total R&D expenditure	**128**	**115**
R&D expenditure as a percentage of revenues	**0.60**	**0.60**

d) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is an export-oriented unit and the majority of the Information Technology and Business Process Outsourcing services by the Company are for clients outside India.

Activities relating to exports, initiatives taken to increase the exports, development of new export markets for products and services and export plans

During the year, a substantial portion of the revenue of the Company was derived from the exports.

The foreign exchange earned and spent by the Company during the year under review is as follows:

(₹ in crores)

Particulars	Year ended	
	31 March 2018	31 March 2017
Foreign exchange earnings	**19,275**	**19,545**
Foreign exchange outgo		
- Expenditure in foreign currency	2,012	2,164
- CIF value of imports		
Capital goods	2,952	209
Others	203	19
- Dividend remitted in foreign currency	285	576
	5,452	**2,968**

For and on behalf of the Board of Directors

SHIV NADAR
Chairman and Chief Strategy Officer

Place: Noida (U.P.), India
Date: May 02, 2018

Annexure - 6 to the Directors' Report

Directors' Responsibility Statement as required under section 134(3)(c) of the Companies Act, 2013:

a) The financial statements have been prepared in accordance with the accounting standards issued by the Institute of Chartered Accountants of India and the requirements of the Companies Act, 2013 to the extent applicable to the Company. There have been no material departures from prescribed accounting standards while preparing these financial statements;

b) The Board of Directors has selected the accounting policies described in the notes to the accounts, which have been consistently applied, except where otherwise stated. The estimates and judgments relating to the financial statements have been made on a prudent basis, in order that the financial statements reflect in a true and fair manner, the state of affairs of the Company as at March 31, 2018 and the profit of the Company for the year ended on that date;

c) The Board of Directors has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual accounts have been prepared on the historical cost convention, as a going concern and on the accrual basis;

e) The Board of Directors has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) The Board of Directors has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

For and on behalf of the Board of Directors

SHIV NADAR
Chairman and Chief Strategy Officer

Place: Noida (U.P.), India
Date: May 02, 2018

Annexure - 7 to the Directors' Report

DETAILS ON STOCK OPTION PLANS

1999 Stock Option Plan / 2000 Stock Option Plan / 2004 Stock Option Plan

Pursuant to the approval of the shareholders, your Company had instituted the 1999 Stock Option Plan ("1999 Plan"), 2000 Stock Options Plan ("2000 Plan") and 2004 Stock Option Plan ("2004 Plan") for all eligible employees of the Company and its subsidiaries. The 1999 Plan, 2000 Plan and 2004 Plan are administered by the Nomination & Remuneration Committee (erstwhile Compensation Committee) of the Board and provide for the issuance of 20,000,000; 15,000,000 and 20,000,000 options, respectively.

The 1999 Plan and 2000 Plan were lapsed and 2004 Plan is active. The entitlement of the Stock Option holders under 2004 Plan is 8 equity Shares of ₹2 each against each option exercised. The Company has a 'HCL Technologies Stock Options Trust' for administring ESOP Plan as per SEBI (Share Based Employee Benefits) Regulations, 2014. The trustees of the trust are Mr. Vineet Vij, Mr. Mathew George and Mr. Subodh Jain. However, the Company has not undertaken any transactions under trust mechanism.

The details of the options granted under the 1999, 2000 and 2004 Plans are given below:

S No	Description	1999 Plan	2000 Plan	2004 Plan
1	Date of Shareholders approval	13-Sep-1999	20-Oct-2000	17-Dec-2004
2	Total number of options granted (gross)	26,600,874	17,747,401	8,424,132
3	The pricing formula	Market price / internal valuation	Market price	Market price / price determined by Nomination & Remuneration Committee (erstwhile Compensation Committee)
4	Number of options vested	17,529,862	10,466,138	5,820,927
5	Number of options exercised	13,957,786	7,470,809	5,593,444
6	Total number of shares arising as a result of exercise of options	**111,662,288**	**59,766,472**	**44,747,552**
7	Number of options lapsed & Forfeited	12,643,088	10,276,592	2,707,043
8	Variation in terms of options	None	None	None
9	Money realized by exercise of options (₹ crores)	**516.19**	**434.43**	**14.24**
10	**Total number of options in force as on March 31, 2018**	**-**	**-**	**123,645**
11	Grant to Senior Management			
	Number of Options	**1,967,175**	**254,904**	**2,987,600**
	Source of Shares	Combination	Combination	Primary
	Vesting Period	**110 Months**	**104 Months**	**96 Months**
	Vesting Requirements	Service Period / Company's Performance on the basis of consolidated financial statements		

The diluted earnings per share were ₹53 and ₹48 for the fiscal years ended March 31, 2018 and March 31, 2017 respectively.

Details of Stock Option Plans for the year ended March 31, 2018			
Particulars	**1999 Plan**	**2000 Plan**	**2004 Plan**
Total number of options outstanding as on April 1, 2017	**-**	**-**	**183,915**
Number of options granted during the year	-	-	-
Pricing formula	Market price / internal valuation	Market price	Market price / price determined by Nomination & Remuneration Committee (erstwhile Compensation Committee)
Number of options vested during the year	-	-	-
Number of options exercised during the year	-	-	57,870
Total number of shares arising as a result of exercise of options during the year	-	-	462,960
Number of options lapsed & forfeited during the year	-	-	2,400
Variation in terms of options	None	None	None
Money realised by exercise of options during the year (₹ crores)	-	-	0.09
Total number of options in force as on March 31, 2018	**-**	**-**	**123,645**
Total number of options exercisable as on March 31, 2018			**118,845**
Employees granted options equal to 5% or more of the total number of options granted during the year	None	None	None
Employees granted options equal to or exceeding 1% of the issued capital during the year	None	None	None
Fair value compensation cost for options granted (₹ crores)	N.A.	N.A.	N.A.
Weighted average exercise price of options granted above market price	N.A.	N.A.	N.A.
Weighted average fair value of options granted above market price	N.A.	N.A.	N.A.
Weighted average exercise price of options granted at market price	N.A.	N.A.	N.A.
Weighted average fair value of options granted at market price	N.A.	N.A.	N.A.
Weighted average exercise price of options granted below market price (₹)	N.A.	N.A.	N.A.
Weighted average fair value of options granted below market price (₹)	N.A.	N.A.	N.A.
Method and significant assumptions used during the year to estimate the fair values of options			
Method	**Black schole**	**Black schole**	**Black schole**
Significant assumptions			
Risk free interest rate	7.80%	7.80%	7.80%
Expected life	upto 56 months	upto 56 months	upto 56 months
Expected Volatility	30.80%	30.80%	30.80%
Expected Dividend	2.02%	2.02%	2.02%
The price of the underlying options in market at the time of grant (₹)	N.A.	N.A.	N.A.
Determination of expected Volatility	The expected term of the ESOP is estimated based on the vesting term and contractual term of the ESOP. Expected volatility during the expected term of the ESOP is based on historical volatility of the observed market prices of the Company's publically traded equity shares during a period equivalent to the expected term of the ESOP.		

Pre IPO Details of Stock Option Plan	
Particulars	**As on March 31, 2018 ESOP 1999 Plan**
Number of options granted pre IPO	14,223,832
Pricing formula	Internal valuation
Number of options vested	11,648,957
Number of options exercised	10,234,702
Total number of shares arising as a result of exercise of options	40,938,808
Number of options lapsed	3,989,130
Variation in terms of options	None
Money realised by exercise of options (₹crores)	259.41
Total number of options in force as on March 31, 2018	**-**
Fair value compensation cost for options granted (₹crores)	43.96
Weighted average exercise price of options granted (₹)	255.00
Weighted average fair value of options granted (₹)	36.65
Method used to estimate the fair values of options	Black-Scholes Method
Significant assumptions	
Risk free interest rate	10.00%
Expected life	12 to 110 months
Expected volatility	-
Expected dividends	0.10%

Employee Compensation Cost based on fair value of the options		
Particulars		**Year ended March 31, 2018**
		(₹Crores)
Net income, as reported		7,362.00
Add: Stock-based employee compensation expense included in reported net income		Nil
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards		Nil
Proforma net income		7,362.00
Earnings per share		₹
As reported	- Basic	52.54
	- Diluted	52.50
Adjusted pro forma	- Basic	52.54
	- Diluted	52.50
Method and significant assumptions used during the year to estimate the fair values of options		**Black-Scholes Method**
Significant assumptions		
Dividend yield %		2.02%
Expected life		upto 56 months
Risk free interest rates		7.80%
Volatility		30.80%

Details of options granted to Senior Managerial Personnel of the Company during the year ended March 31, 2018
None
Details of options granted to employees amounting to 5% or more of the options granted during the year ended March 31, 2018
None
Details of options granted to employees during the year ended March 31, 2018, amounting to 1% or more of the issued capital of the company at the time of the grant
None

For and on behalf of the Board of Directors

SHIV NADAR
Chairman and Chief Strategy Officer

Place: Noida (U.P.), India
Date: May 02, 2018

Annexure - 8 to the Directors' Report

Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. List of top ten employees in terms of remuneration received during FY 2017-18

S. No.	Name	Age	Designation	Educational Qualification	Remuneration Received during the year (₹)	Date of Joining	Experience in Years	Previous Employment	Designation held in previous appointment	Previous employment held since
1	Anil Kumar Chanana	60	Chief Financial Officer	CA	47,467,157	01-10-98	37	HCL Technologies America Inc.	Executive Vice President	Dec 1985
2	Maninder Singh Narang	48	Corp.vice President, Infra Delivery, APMEA / Europe	PGD - Marketing Management	38,754,896	21-08-95	28	Fujitsu ICIM Ltd.	Major Account Manager	Feb 1992
3	Ajit Krishnankutty Kumar	54	President - Systems Integration & Appln. Delivery	MBA - Marketing	28,068,843	01-07-13	30	Accenture Services Pvt. Ltd.	Managing Director	June 1988
4	Amit Roy	59	Executive Vice President - Taxation	CA	17,973,107	16-07-07	34	Samsung India Electronics Pvt. Ltd.	Vice President - Taxation	Sept 2006
5	Prateek Aggarwal	51	Executive Vice President	MBA - Finance	17,618,204	01-10-12	27	Hexaware Technologies Ltd.	Chief Financial Officer	June 2008
6	Gade Hanumantha Rao	60	President Engg. and R&D Services	B.Tech - Electronics	17,579,091	01-07-96	37	HCL Hewlett Packard Ltd.	Senior Manager - R&D	Nov 1980
7	Apurva Chamaria	39	Vice President	MBA - Marketing	17,291,618	30-08-05	17	Ranbaxy Laboratories Ltd.	Manager - Marketing	June 2003
8	Prahlad Rai Bansal	61	Deputy Chief Financial Officer	CA	16,488,024	30-08-00	39	HCL America Inc.	Vice President	Nov 1997
9	Shiv Nadar	73	Chairman and Chief Strategy Officer	Electrical Engineer	16,403,716	13-09-99	49	HCL Infosystem Limited	Whole-Time Director & CEO	Aug 1987
10	Vineet Vedprakash Sood	51	Executive Vice President	ICWA	16,057,232	25-11-10	27	Tata Consultancy Services Ltd.	Treasurer	March 2006

Information as per Rule 5(2) of Chapter XIII, the Companies(Appointment and Remuneration of Managerial Personeel) Rules, 2014

B. List of employees employed for full financial year and in receipt of remuneration more than Rupees One Crore and Two Lakhs per annum

S. No.	Name	Age	Designation	Educational Qualification	Remuneration Received during the year (₹)	Date of Joining	Experience in Years	Previous Employment	Designation held in Previous Appointment	Previous employment held since
1	Ajit Krishnankutty Kumar	54	President - Systems Integration & Applications, Delivery	MBA - Marketing	28,068,843	01-07-13	30	Accenture Services Pvt. Ltd.	Managing Director	Jun, 1988
2	Amit Roy	59	Executive Vice President - Taxation	CA	17,973,107	16-07-07	34	Samsung India Electronics Pvt. Ltd.	Vice President - Taxation	Sep, 2006
3	Anil Kumar Chanana	60	Chief Financial Officer	CA	47,467,157	01-10-98	37	HCL Technologies America Inc.	Executive Vice President	Dec, 1985
4	Apparao V. V.	56	Chief Human Resources Officer	B.Tech, M.Tech	15,812,248	10-03-03	34	Ascend Technologies Ltd.	Director / Center Head	Aug, 1996
5	Gade Hanumantha Rao	60	President Engg. and R&D Services	B.Tech - Electronics	17,579,091	01-07-96	37	HCL Hewlett Packard Ltd.	Senior Manager - R&D	Nov, 1980
6	Goutam Rungta	45	Executive Vice President	CA, CWA	10,979,052	01-03-07	22	General Motors India Pvt. Ltd.	General Manager - Finance	Jul, 2003
7	Harekrishna Rajagopalachar Sadarahall	49	Executive Vice President	B.Tech - Mechanical	13,220,354	09-01-12	28	Allegis Services Pvt. Ltd.	Executive Vice President	March, 2009
8	Harsha Haridas Pai	44	Vice President	PGDBA - Finance	11,991,294	03-11-14	24	WNS Global Services Pvt. Ltd.	Corporate Sr. Vice President	Oct, 2012
9	Maninder Singh Narang	48	Corp. Vice President, Infra Delivery, APMEA / Europe	PGD - Marketing Management	38,754,896	21-08-95	28	Fujitsu ICIM Ltd.	Major Account Manager	Feb, 1992
10	Mathew George	50	Executive Vice President	CA	11,690,260	02-05-13	24	Cognizant Technology Solutions India Pvt. Ltd.	Director - Consulting	Oct, 2011
11	Navin Sabharwal	44	Fellow & Chief Architect	B.Com.	10,471,430	26-11-98	19	N. A.	N. A.	N. A.
12	Prahlad Rai Bansal	61	Deputy Chief Financial Officer	CA	16,488,024	30-08-00	39	HCL America Inc.	Vice President	Nov, 1997
13	Prateek Aggarwal	51	Executive Vice President	MBA - Finance	17,618,204	01-10-12	27	Hexaware Technologies Ltd.	Chief Financial Officer	Jun, 2008
14	Rahul Mohta	41	Vice President	CA	10,969,202	16-09-13	18	Ondot Couriers & Cargo Ltd.	Strategic Investor	Aug, 2012
15	Rajesh Gupta	58	Vice President - Taxation	CA	12,314,386	17-03-10	32	JSL Limited	Vice President - Taxation	May, 2009

S. No.	Name	Age	Designation	Educational Qualification	Remuneration Received during the year (₹)	Date of Joining	Experience in Years	Previous Employment	Designation held in Previous Appointment	Previous employment held since
16	Rangarajan Vijayaraghavan	53	Executive Vice President	MA	10,768,831	22-05-09	31	Satyam Computer Services Ltd.	Vice President	May, 2009
17	Ravi Yeddanapudi	45	Senior Vice President	BE - Electronics	10,671,798	06-12-07	24	Birlasoft Ltd.,	Sr. Manager	Jun, 2004
18	Sanjay Gupta	48	Program Director - New Vistas	B.Tech - Electronics	11,041,687	20-04-95	23	Su-Kam Communication Pvt. Ltd.	Customer Support Engineer	Nov, 1993
19	Sanjeev Mehrotra	51	Vice President	MCA	12,647,478	12-01-09	24	Satyam Computer Services Ltd.	Band I (Integrator)	Jan, 2008
20	Shiv Nadar	73	Chairman and Chief Strategy Officer	Electrical Engineer	16,403,716	13-09-99	49	HCL Infosystem Limited	Whole-Time Director & CEO	Aug 1987
21	Srimathi Shivashankar	50	Program Director - New Vistas	MBA - Business Administration	10,807,168	01-12-10	15	Infosys Ltd.	Senior Lead-Diversity	Jan, 2003
22	Subramanian Gopalakrishnan	51	Executive Vice President	CA, CS, CWA	10,779,524	09-12-10	28	Satyam Computer Services Ltd.	Vice President - Finance	Jun, 2005
23	Subrat Chakravarty	50	Senior Vice President	PGD - Personnel Management	11,903,278	03-09-15	24	Birlasoft India Ltd.	Chief People Officer	Jun, 2013
24	Tajeshwar Singh	42	Senior Vice President	BE - Electronics & Communications	12,309,369	08-02-01	20	Microland Ltd.	Network Engineer	Feb, 2000
25	Varanasi Guru Venkata Subbaraya Sharm	54	Senior Vice President	ICWA	13,201,638	24-01-11	31	ATG Tires Pvt Ltd.	VP - Internal Audit	Jun, 2010
26	Venkata Ramana Samudrala	54	Senior Vice President	B.Tech - Electronics & Communications	14,983,359	08-01-15	30	Genpact India	Senior Vice President	Feb, 2000
27	Vijay Anand Guntur	50	Corporate Vice President	M.Sc (Computer Science), MBA - Finance	11,206,577	14-07-94	29	HCL Hewlett Packard Ltd.	Deputy Manager	Jun, 1989
28	Vineet Vedprakash Sood	51	Executive Vice President	ICWA	16,057,232	25-11-10	27	Tata Consultancy Services Ltd.	Treasurer	Mar, 2006

C. List of employees employed for part of the financial year and in receipt of remuneration more than Rupees Eight Lakhs and Fifty Thousand per month

S. No.	Name	Age	Designation	Educational Qualification	Remuneration Received during the year (₹)	Date of Joining	Experience in Years	Previous Employment	Designation held in Previous Appointment	Previous employment held since
1	Apurva Chamaria	39	Vice President	MBA - Marketing	17,291,618	30-08-05	17	Ranbaxy Laboratories Ltd.	Manager - Marketing	Jun, 2003
2	Rajesh Kumar	50	Senior Vice President	MBA - Business Administration	8,072,957	01-08-17	25	DLF Limited	Director-Technical	Aug, 2002
3	Rajiv Mahajan	58	Sr. Vice President & Director - Infrastructure Projects	BE (Hons.) - Civil, M.Sc. (Hons.) - Economics	8,794,472	22-11-10	33	Advance India Projects Ltd.	President - Projects	Jan, 2010
4	Rajiv Sodhi	59	Sr. Corporate Vice President - Delivery Initiatives & Customer Advocasy	B.Tech, MBA - Marketing	5,006,004	24-07-97	37	Tata Consultancy Services Ltd.	Manager - Systems	Aug, 1981
5	Siddhartha S	43	Senior Vice President	MBA - Marketing	10,095,490	07-05-01	21	Grindwell Norton Ltd.	Product Engineer	Jan, 1997

Notes:

1. None of the Employees listed above is a relative of any director of the Company.
2. The nature of employment is contractual in all the above cases.
3. None of the Employees listed above owns 2% or more of the paid-up equity share capital of the Company.
4. The above statement covers the remuneration paid by the Company and not by any subsidiary / ies.
5. Particulars of employees posted and working in a country outside India not being directors or their relatives, drawing more than one crore and two lakh rupees per annum or eight lacs and fifty thousand rupees per month, as the case may be, have not been included in the above statement.

For and on behalf of the Board of Directors

SHIV NADAR
Chairman and Chief Strategy Officer

Place: Noida (U.P.), India
Date: May 02, 2018

CORPORATE GOVERNANCE REPORT 2017-18

Good governance facilitates efficient, effective and entrepreneurial management that can deliver stakeholder value over the longer term. It is about commitment to values and ethical business conduct. It is a set of laws, regulations, processes and customs affecting the way a company is directed, administrated, controlled or managed.

Good corporate governance underpins the success and integrity of the organizations, institutions and markets. It is one of the essential pillars for building an efficient and sustainable environment.

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good governance practices stem from the culture and mindset of the organization. The effectiveness of corporate governance in the Company depends on regular review, preferably regular independent review. The Company considers fair and transparent corporate governance as one of its most core management tenets. The Company has adopted a Code of Conduct for its Directors, Employees, consultants, vendors and customers and has also adopted a Code of Conduct to regulate, monitor and report trading by insiders and also a fair disclosure code. Some of the important best practices of Corporate Governance framework are timely and accurate disclosure of information regarding the financial position, performance, ownership and governance of the Company.

PHILOSOPHY ON CODE OF GOVERNANCE

The Corporate Governance philosophy of the Company is based on the following principles:

- Follow the spirit of the law and not just the letter of the law. Corporate Governance standards should go beyond the law.
- Be transparent and maintain high degree of disclosure levels. When in doubt, disclose it.
- Make a clear distinction between personal convenience and corporate resources.
- Communicate externally, in a truthful manner, about how the Company is run internally.
- Have a simple and transparent corporate structure driven solely by business needs.
- Comply with the laws in all the countries in which the Company operates.
- Management is the trustee of shareholders' capital and not the owner.

Corporate Governance is an integral part of the philosophy of the Company in its pursuit of excellence, growth and value creation. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal control and promotion of ethics at work place have been institutionalized. The Company recognizes that good governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all its stakeholders**.**

BOARD OF DIRECTORS ("BOARD")

The Board of Directors determines the purpose and values of the Company. The primary role of the Board is that of trusteeship so as to protect and enhance stakeholders' value through the strategic supervision of the Company and its subsidiaries.

The Company is headed by a Board that exercises leadership, integrity and judgment in directing so as to achieve continuing prosperity and to act in the best interest of the Company. The Board plays a critical role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This is reflected in the Company's governance practices, through which it strives to maintain an active, informed and independent Board. The Board ensures that the Company complies with all relevant laws, regulations, governance practices, accounting and auditing standards. It identifies key risk areas and key performance indicators of the Company's business and constantly monitor these factors.

The Board is entrusted with the ultimate responsibility of the management, general affairs direction and performance of the Company and has been vested with the requisite powers, authorities and duties.

BOARD SIZE AND COMPOSITION

The Board of Directors ("Board") is at the core of the Company's Corporate Governance practices and oversees how the management serves and protects the long term interests of all the stakeholders. The Company believes that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance.

The Board of the Company has an optimum combination of Executive, Non-Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. During the year, majority of the Board comprised of Independent Directors. Independent Directors play a critical role in imparting balance to the Board processes by bringing independent judgments on issues of strategy, performance, resources, standards of the Company, conduct etc.

As on March 31, 2018, the Board consisted of 11 members, of which, one is the Promoter Director who is designated as

the Chairman and Chief Strategy Officer of the Company. The other 10 Directors are Non-Executive Directors, of which 8 are Independent Non-Executive Directors. The Board also comprises of three women Directors. During the financial year under review, Mr. Amal Ganguli (DIN – 00013808) who was Non-Executive Independent Director of the Company, ceased to be a Director of the Company due to his demise on May 8, 2017. Mr. Deepak Kapoor (DIN - 00162957) was appointed as an additional director of the Company w.e.f. July 26, 2017. At the Annual General Meeting of the Company held on September 21, 2017, he was appointed as an Independent Director of the Company in terms of section 149 of Companies Act, 2013, to hold office for a period of five years.

Mr. Keki Mistry (DIN – 00008886) resigned as an Independent Director of the Company w.e.f. April 30, 2018.

Therefore, the Board, as on date, consists of ten members, of which one is the Promoter Director designated as the Chairman and Chief Strategy Officer of the Company. The other 9 Directors are Non-Executive Directors, of which 7 are Independent Non-Executive Directors.

Composition of the Board and the Directorship(s) / Committee Membership(s) / Chairmanship(s) held as on March 31, 2018 is as follows:

Name of Director	Position in the Company	**Directorships in Indian public limited companies** (including HCL Technologies Ltd.)	**Directorships / memberships in all other companies / trust / other entities** (including overseas companies)	**Committee memberships*** (including HCL Technologies Ltd.)	**Committee Chairmanships*** (including HCL Technologies Ltd.)	**No. of shares held** (of ₹2 each)
Mr. Shiv Nadar (DIN 00015850)	Chairman & Chief Strategy Officer	1	19	1	-	368
Ms. Roshni Nadar Malhotra (DIN 02346621)	Non-Independent Non-Executive Director	1	19	1	-	348
Mr. Sudhindar Krishan Khanna (DIN 01529178)	Non-Independent Non-Executive Director	5	3	1	-	Nil
Ms. Robin Ann Abrams (DIN 00030840)	Independent Non-Executive Director	1	11	1	-	Nil
Mr. Keki Mistry^ (DIN 00008886)	Independent Non-Executive Director	10	4	9	5	Nil
Mr. Ramanathan Srinivasan (DIN 00575854)	Independent Non-Executive Director	2	7	-	-	Nil
Dr. Sosale Shankara Sastry (DIN 05331243)	Independent Non-Executive Director	1	5	-	-	Nil
Mr. Subramanian Madhavan (DIN 06451889)	Independent Non-Executive Director	3	4	5	3	2,500
Mr. Thomas Sieber (DIN 07311191)	Independent Non-Executive Director	1	4	-	-	Nil
Ms. Nishi Vasudeva (DIN 03016991)	Independent Non-Executive Director	3	-	4	1	Nil
Mr. Deepak Kapoor** (DIN 00162957)	Independent Non-Executive Director	3	1	3	1	Nil

Note:

Mr. Shiv Nadar and Ms. Roshni Nadar Malhotra are related as Father and Daughter respectively. No other Director is related to any other Director on the Board.

** Chairmanships / memberships of only Audit Committee and Stakeholders' Relationship Committee of the Indian public limited companies have been considered.*

*** Mr. Deepak Kapoor was appointed as an additional director of the Company w.e.f July 26, 2017 and a member of Audit Committee w.e.f November 01, 2017.*

^ Mr. Keki Mistry resigned as an Independent Director of the Company w.e.f. April 30, 2018.

BRIEF PROFILE OF THE BOARD MEMBERS:

Mr. Shiv Nadar

Mr. Shiv Nadar, aged 73 years, is the Founder & Chairman of HCL and the Shiv Nadar Foundation. An Electrical Engineer from Coimbatore in South India, he established HCL as a start-up in 1976. Acknowledged as a visionary by the IT industry and his peers, Mr. Shiv Nadar has often made daring forays based on his conviction of the future. The University of Madras and IIT Kharagpur awarded him an Honorary Doctorate Degree in Science for his outstanding contribution to IT in India. In recognition of his pioneering role in business and philanthropy in India and across the globe, Mr. Nadar has received several honours and accolades, notable being the Padma Bhushan from the President of India in 2008 and the BNP Paribas Grand Prize for Individual Philanthropy in 2013, the AIMA Managing India Corporate Citizen Award, the ICSI Lifetime Achievement Award for excellence in Corporate Governance and the Golden Peacock Award for Social Leadership in 2014. He has been named as the Outstanding Philanthropist of the Year in 2015 by Forbes and was featured as the most generous Indian by the Hurun India Philanthropy List 2016. Determined to give back to the society, Mr. Nadar has been quietly supporting several significant social causes through the Shiv Nadar Foundation. The Foundation has established the not-for-profit SSN College of Engineering in Chennai, ranked among India's top ranked private engineering colleges. A young and a unique research-led interdisciplinary Shiv Nadar University has been identified as India's first Ivy League institution. The Foundation has also established VidyaGyan schools in Uttar Pradesh that provide free, world-class education to rural toppers from economically disadvantaged backgrounds. He also very strongly supports initiatives for the girl child and the empowerment of women. With a vision to provide innovative medical services, products and training to meet the growing demand for quality healthcare, Mr. Nadar diversified HCL's business to set up HCL Healthcare, offering integrated care across India.

Ms. Roshni Nadar Malhotra

Ms. Roshni Nadar Malhotra, aged 36 years is the CEO and Executive Director of HCL Corporation Pvt. Ltd. She brings a global outlook, strategic vision and passion for business, social enterprise and institution-building to her varied roles at HCL Corporation and the Shiv Nadar Foundation. Roshni is also a Trustee of the Shiv Nadar Foundation, which among its transformational educational initiatives has established the SSN Institutions in Chennai, today among the top private engineering and business schools in India, the interdisciplinary Shiv Nadar University in the National Capital Region, VidyaGyan schools in Uttar Pradesh, the Shiv Nadar Schools, the iconic Kiran Nadar Museum of Art and Shiksha, an innovative technology-led intervention in education envisioned to eradicate illiteracy from India.

She is the driving force behind the VidyaGyan schools in Uttar Pradesh, a radical initiative to induct and transform meritorious rural children from economically underprivileged backgrounds and create leaders of tomorrow. Under her leadership, VidyaGyan has started showing excellence in various fields, creating spirals of inspiration, and delivering on the promise of creating catalytic leaders from rural India. As a representative of the Shiv Nadar Foundation, she was involved in a joint initiative with the Rajiv Gandhi Foundation to promote the education of the Dalit and Muslim girl child in some of the most backward districts in the State of Uttar Pradesh in India. Roshni has been inducted into the Forum of Young Global Leaders, for her inspiring work in philanthropy and education in India at a very young age. She was conferred the prestigious 'NDTV - Indian of the year- India's Future' award under the 'Philanthropic' category in 2014. Also, recently Ms. Roshni was felicitated at New York with the 'World's Most Innovative People Award' for 'Philanthropic Innovation', given by The World Summit on Innovation & Entrepreneurship (WSIE). In 2017, Roshni was awarded the prestigious Lewis Institute 2017 Community Changemaker Award by Babson College Roshni holds an MBA from the Kellogg Graduate School of Management with a focus on Social Enterprise and Management & Strategy. At Kellogg, she received the Dean's Distinguished Service Award.

Mr. Sudhindar Krishan Khanna

Mr. Sudhindar Krishan Khanna, aged 65 years, has a Bachelor of Arts (Honors) degree in Economics from St. Stephen's College (New Delhi) and is a Chartered Accountant. He is the Chairman and Managing Director of IEP Mumbai, a leading control oriented PE Fund. He was one of the founding members of Accenture worldwide and became the Country Managing Partner of Accenture in India & the Middle East and a lead member of the Accenture global management team. He was responsible for establishing all major Accenture businesses in India, including ITO, BPO and KPO. Mr. Khanna serves on several boards including board of United Spirits, Peninsula Holdings and Canara HSBC Insurance.

Ms. Robin Ann Abrams

Ms. Robin Ann Abrams, aged 67 years, holds both a Bachelor of Arts and a Juris Doctor degree from the University of Nebraska. She was the interim CEO at ZiLOG. She had been the President of Palm Computing and Senior Vice President at 3Com Corporation. She was formerly the President and CEO at VeriFone and also held a variety of senior management positions with Apple Computer including Vice President and General Manager of the Americas where she oversaw sales and channel management for U.S., Canada and Latin America. Ms. Abrams spent eight years with Unisys in several senior-level positions and serves on several U.S. public company Boards, the Anita Borg Institute Board and several academic advisory committees.

Mr. Keki Mistry

Mr. Keki Mistry, aged 63 years, is the Vice Chairman & Chief Executive Officer of HDFC Ltd. He is a fellow of The Institute of Chartered Accountants of India. Mr. Mistry is also the Chairman of CII National Council on Corporate Governance. Some of Mr. Mistry's recent recognitions include, being awarded BMA Management Man of the Year 2016 by Bombay Management Association, 'Best Independent Director Award 2014' by Asian Centre for Corporate Governance & Sustainability, Best CEO Financial Services (Large Companies) 2014 by Business Today magazine, CFO India Hall of Fame by the CFO India magazine in 2012, One of Best CEO for Investor Relations – India at the Thomson Reuters "Extel Awards" – 2012, honoured with the 'CA Business Achiever of the Year' award in the Financial Sector by the Institute of Chartered Accountants of India (ICAI) in 2011, awarded the QIMPRO Gold Standard 2011– Leader for Quality in Business by the Qimpro Foundation, Best Banker of the Year in 2011 by Financial Express, declared as the Best CFO in the Financial Services category by the ICAI for 2008, CNBC TV18's Award for the 'Best Performing CFO in the Financial Services Sector' for three consecutive years - 2006, 2007 & 2008 and CFO of the Year for 2008 and selection as the 'Best Investor Relations Officer' in the Corporate Governance poll by Asiamoney (2008).

Mr. Ramanathan Srinivasan

Mr. Ramanathan Srinivasan, aged 72 years, has an Electrical Engineering Degree from Madras University and MBA Degree from the IIM, Ahmedabad. He is the Founder of Redington (India) Limited, a Technology Products Supply Chain Solution Company operating in India, Middle East, Africa & Turkey, Srilanka, Bangladesh and CIS countries and had also served as the Managing Director from July 1, 2006 to October 17, 2014 and as the Non- Executive Vice Chairman from October 17, 2014 to February 2, 2017 of Redington (India) Limited. Prior to starting Redington in Singapore, he spent three years in Indonesia with a leading Textile Company. His experience also includes a number of years with Readers Digest and the Coca-Cola Corporation in India. He has over 30 years of management experience across the globe. He has been awarded the "Entrepreneur Award 2007" by CII, Tamil Nadu and "Outstanding contribution to the IT Channel Industry" by CRN in 2007.

Dr. Sosale Shankara Sastry

Dr. Sosale Shankara Sastry, aged 62 years, is currently the Dean of Engineering at University of California, Berkeley. Dr. Sastry is B. Tech from Indian Institute of Technology, Bombay; M.S. EECS (1979), University of California, Berkeley; M.A. Mathematics (1980), University of California, Berkeley and Ph.D. EECS, University of California, Berkeley. His areas of personal research are embedded control, cybersecurity, autonomous software for unmanned systems (especially aerial vehicles), computer vision, nonlinear and adaptive control, control of hybrid and embedded systems, and network embedded systems and software. He has been concerned with cybersecurity and critical infrastructure protection. He has co-authored over 500 technical papers and 9 books. During his career, the positions held by him include Member, Scientific Advisory Board for Singapore National Research Foundation and Member of Science and Technology Advisory Board for the Thai Prime Minister.

Mr. Subramanian Madhavan

Mr. S Madhavan, aged 61 years, is a fellow member of the Institute of Chartered Accountants of India and also holds a Post Graduate Diploma in Business Management from the Indian Institute of Management, Ahmedabad. He was a senior partner and Executive Director in Pricewaterhouse Coopers from where he took early retirement. He was responsible for all facets of leadership development for all senior positions in the firm, as part of its India leadership team. He was also responsible for oversight and delivery of sectorally focused firm wide services, from Assurance to Advisory and Tax, being a primary relationship partner for several global clients. He was also a long standing leader of the indirect tax practice in PricewaterhouseCoopers and has been nationally and globally recognized as a leading subject matter expert in that area. Mr. Madhavan started his career in Hindustan Unilever Ltd, India's largest FMCG multinational, where he spent several years in the 1980s. He is currently the Co-Chairman of the GST Task Force in FICCI, has been the past President, Northern Region, Indo American Chamber of Commerce and the past Co-Chairman of the Taxation Committee, Assocham. Mr. Madhavan is on the Board of several other Companies and is also active in a leadership role in the ' not for profit' sector.

Mr. Thomas Sieber

Mr. Thomas Sieber aged 56 years, has a Business Administration degree from the University of St. Gallen, Switzerland. He was the CEO of Orange Switzerland (now Salt Mobile SA) and later on became the Chairman of the Board of Directors. He has been a member of Board of Directors at IT-services provider, Garaio AG; Sierra Wireless, the Global leader in IoT ("Internet of Things"); Danish wireless solution company, RTX. He is serving as the Chairman at Axpo Holding AG which is one of the two national Energy providers in Switzerland and active in 20 countries throughout Europe. Mr. Sieber has an expertise in Strategic and Business Management.

Ms. Nishi Vasudeva

Ms. Nishi Vasudeva, aged 62 years, is the first woman to chair an Oil & Gas company in India, with extensive management and advisory experience. She is an MBA from the Indian

Institute of Management, Calcutta, India and B.A. (Economics) from Lady Shri Ram College, University of Delhi, India. She has expertise in the areas like Corporate Strategy, Enterprise Resource Management, Retail & Marketing, Information Systems, Business Transformation & Margin Management and Regulatory Management. She is well known for her courage and dedication to making a difference, both at a company level and in the lives of employees and customers. Her awards and accomplishments include the prestigious Global 'CEO of the Year' award by Platts Global Energy Awards 2015, 'Outstanding Woman Manager Award' by the Standing Committee on Public Sector Enterprises (SCOPE), Government of India, for the year 2010-11, 'Exceptional Woman Achiever Award' from the Federation of Indian Chambers of Commerce and Industry in 2014. She has also been ranked one of the top five 'Most Powerful Women in Asia Pacific' by FORTUNE magazine in the year 2014.

Mr. Deepak Kapoor

Mr. Deepak Kapoor, aged 59 years, is the former Chairman & CEO of PwC India. He took retirement from PwC in March 2017 after having been associated with it for 39 years. During his illustrious career with PwC, he served in various leadership and client service roles in India and overseas. He was also a member of the PwC global Strategy Council, led the Deals practice for PwC India and was also the leader of Telecom, Entertainment and Media practice. He has extensive experience / expertise in areas relating to financial reporting, audit, mergers and acquisitions, crisis management and corporate advisory work. His experience in India and overseas encompasses multiple sectors including Consumer products, Manufacturing, Telecom, Technology, Healthcare and Entertainment & Media.

He is a Fellow member of the Institute of Chartered Accountants of India, a Fellow member of the Institute of Company Secretaries of India and a member of the Certified Fraud Examiners, USA.

MEMBERSHIPS ON OTHER BOARDS

Executive Directors are also allowed to serve on the Board / Committee of Corporate(s) or Government bodies whose interest are germane to the future of software business, or on the Board of key economic institutions of the nation or whose primary objective is benefiting society.

Independent Directors are expected not to serve on the Board / Committees of competing companies. Other than this, there is no limitation on the Directorships / Committee memberships except those imposed by law and good corporate governance.

DIRECTORS' RESPONSIBILITIES

(a) In addition to the duties and responsibilities entrusted on the Directors of the Company as per the provisions of the Companies Act, 2013, it is the elementary responsibility of the Board members to oversee the management of the Company and in doing so, serve the best interests of the Company and its stakeholders. This responsibility inter-alia shall include:

- Reviewing and approving fundamental operating, financial and other corporate plans, strategies and objectives.
- Evaluating whether the corporate resources are being used only for appropriate business purposes.
- Establishing a corporate environment that promotes timely and effective disclosure (including robust and appropriate controls, procedures and incentives), fiscal responsibilty, high ethical standards and compliance with all applicable laws and regulations.
- Evaluating the performance of the Company and its senior executives and taking appropriate action, including removal, where warranted.
- Evaluating the overall effectiveness of the Board and its Committees.
- To attend the Board, Committee and shareholders meetings.

(b) Exercise business judgment: In discharging their fiduciary duties of care and loyalty, the directors are expected to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its stakeholders.

(c) Understand the Company and its business: The directors have an obligation to remain informed about the Company and its business, including the principal operational and financial objectives, strategies and plans of the Company, relative standing of the business segments within the Company and vis-a-vis the competitors of the Company, factors that determine the Company's success, results of operations and financial condition of the Company and the significant subsidiaries and business segments.

(d) Establish effective systems: The directors are responsible for determining that effective systems are in place for periodic and timely reporting to the Board on important matters concerning the Company including the following:

- Current business and financial performance, degree of achievement of approved objectives and the need to address forward-planning issues.
- Compliance programs to assure the company's compliance with laws and corporate polices.

- Material litigation and governmental and regulatory matters.

BOARD MEETINGS - FUNCTIONING AND PROCEDURE

Board Meeting - Calendar: The probable dates of the board meetings for the forthcoming year are decided in advance and published as part of the Annual Report.

Board Meeting - Frequency: The Board meets at least once a quarter to review the quarterly results and other items of the agenda. Whenever necessary, additional meetings are held. In case of business exigencies or urgency of matters, resolutions are passed by circulation. The Company effectively uses teleconferencing facilities to enable the participation of Directors who could not attend the meetings due to some exigencies.

Board Meeting - Location: The location of the Board meetings are informed well in advance to all the Directors. Each director is expected to attend the Board meetings.

Board Meeting - Matters: All divisions / departments of the Company are advised to schedule their work plans in advance, particularly with regard to matters requiring discussions / approval / decision of the Board / Committee meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the Agenda for the Board / Committee meetings.

Board material / Agenda distributed in advance: The agenda for each board meeting is circulated in advance to the Board members. All material information is incorporated in the agenda facilitating meaningful and focused discussions in the meeting. Where it is not practicable to attach any document in the agenda, the same is tabled before the meeting. Every board member is free to suggest items for inclusion in the agenda.

Presentations by management: The Board is given presentations covering finance, sales, marketing, major business segments and operations of the Company, global business environment including business opportunities, business strategy and the risk management practices before taking on record the financial results of the Company.

Access to employees: The directors are provided free access to officers and employees of the Company. Management is encouraged to invite the Company personnel to any Board meeting at which their presence and expertise would help the Board to have a full understanding of the matters being considered.

Availability of information to Board members: The information placed before the Board includes annual operating plans and budgets, including operating & capital expenditure budgets, quarterly financial results of the Company both consolidated and standalone basis, financials of each of the subsidiaries and investments made by the subsidiaries, risk assessment and minimization procedures, update on the state of the market for the business and the strategy, minutes of subsidiaries, minutes of all the Board committees, related party transactions, details of the treasury investments, details of foreign exchange exposure, update on statutory compliance report and reports of non-compliances, if any, information on recruitment / remuneration of senior officers, show cause / demand notices if any, details of joint ventures or collaboration agreements, significant changes in the accounting policies, sale of any material nature etc.

Post meeting follow-up mechanism: The guidelines for Board and Committee(s) meetings facilitate an effective post meeting follow up review and reporting process for the decisions taken by the Board and Committee(s) thereof. The important decisions taken at the Board / Committee(s) meetings are promptly communicated to the concerned departments / divisions. Action taken report on the decisions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board / Committee(s) for information and review by the Board / Committee(s).

NUMBER OF BOARD MEETINGS AND THE DATES ON WHICH THEY WERE HELD

Seven Board Meetings were held during the financial year ended March 31, 2018. These were held on May 9-11, 2017, July 26-27, 2017, August 9, 2017, September 21, 2017, October 24-25, 2017, January 18-19, 2018 and March 13, 2018. The following table gives the attendance record of the Board Meetings and the last Annual General Meeting:

Name of Director	No. of board meetings held	No. of board meetings attended	Whether attended last AGM
Mr. Shiv Nadar	7	7	Yes
Ms. Roshni Nadar Malhotra	7	6	Yes
Ms. Robin Ann Abrams	7	7(1)	No
Mr. Ramanathan Srinivasan	7	7(2)	Yes
Mr. Sudhindar Krishna Khanna	7	5	No
Dr. Sosale Shankara Sastry	7	5(3)	No
Mr. Subramanian Madhavan	7	7	Yes
Mr. Keki Mistry(4)	7	2(3)	No
Mr. Thomas Sieber	7	5(2)	No
Ms. Nishi Vasudeva	7	6(2)	Yes
Mr. Deepak Kapoor(5)	7	6	Yes

(1) Ms. Robin Ann Abrams attended three meetings through teleconference call.

(2) *Mr. Ramanathan Srinivasan, Ms. Nishi Vasudeva and Mr. Thomas Sieber attended two meetings through teleconference call.*

(3) *Dr. Sosale Shankara Sastry and Mr. Keki Mistry attended one meeting through teleconference call.*

(4) *Mr. Keki Mistry resigned as an Independent Director of the Company w.e.f. April 30, 2018*

(5) *Mr. Deepak Kapoor was appointed as an additional director of the Company w.e.f. July 26, 2017. Post his appointment, six meetings of the Board of Directors were held during the year, all of which were attended by him.*

Further, during the year under review, a meeting of the Board of Directors was held via a teleconference call on August 18, 2017 and the decisions were taken through resolutions by circulation.

DECLARATION BY INDEPENDENT DIRECTORS

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has received necessary declarations from each Independent Director that he / she meets the criteria of independence in terms of the above mentioned provisions.

INDEPENDENT DIRECTORS' MEETINGS

In terms of the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015, the Independent Directors of the Company shall meet at least once in a year, without the presence of Executive Directors and members of management. The Independent Directors met on January 18, 2018 and inter-alia discussed:

- the performance of non-Independent Directors and the Board as a whole;
- the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non- Executive Directors; and
- the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Directors are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Further, periodic presentations are made at the Board and its Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Quarterly updates on relevant statutory changes are provided to the Directors in the Board meetings.

Upon appointment, the Directors are issued a Letter of Appointment setting out in detail the terms of employment including their roles, function, responsibilities and their fiduciary duties as a Director of the Company.

The details of such familiarization programme for Independent Directors are posted on the website of the Company and are available at https://www.hcltech.com/investors/governance-policies.

BOARD EVALUATION

The Board of Directors, pursuant to the provisions of the Companies Act, 2013 and Regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has carried out an Annual Evaluation of its own performance, performance of the Board Committees and of the individual Directors (including the Independent Directors and the Chairperson).

The checklist for evaluation of the performance of the Board, the Committees of the Board and the individual Directors, including the Chairman of the Board was approved by the Nomination and Remuneration Committee (NRC) of the Company (in accordance with the Guidance Note on Board Evaluation issued by SEBI on January 5, 2017).

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Board Committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the NRC reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee meetings, preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of the Independent Directors, the performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the

performance of the Board, its committees and the individual directors was discussed.

BOARD DIVERSITY

The Company recognizes its obligation to maintain a Board with a diversity of Directors. The Company considers that the concept of diversity incorporates a number of different aspects, such as professional experiences, business perspectives, skills, knowledge, gender, age, cultural and educational background, ethnicity and length of service.

The Company believes that Board diversity enhances decision making capability and a diverse Board is more effective in dealing with organizational changes and less likely to suffer from group thinking. The Board has adopted the Policy on Board Diversity which sets out the approach to diversity of the Board of Directors.

BOARD COMMITTEES

The Board Committees play a crucial role in the governance structure of the Company and are being set out to deal with specific areas / activities which concern the Company and need a closer review. They are set up under the formal approval of the Board to carry out their clearly defined roles. The Board supervises the execution of its responsibilities by the committees and is responsible for their action.

As on March 31, 2018, the Company had eight Board Committees viz. Audit Committee, Nomination & Remuneration Committee, Finance Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Employees' Stock Options Allotment Committee, Risk Management Committee, and Diversity Committee.

During the year under review, two "Committee of Directors" were formed by the Board of Directors of the Company in its meeting held on March 13, 2018, for the purpose of providing support and advise to the Management in the execution of the acquisition projects of the Company, i.e. Project Spectrum (acquisition of Telerx Marketing Inc.) and Project Apple (acquisition of Actian Corporation) The Committees shall stand dissolved on the completion of its objectives.

Keeping in view the requirements of the Companies Act, 2013 as well as SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015, the Board decides the terms of reference of the various committees which set forth the purposes, goals and responsibilities of the Committees. All observations, recommendations and decisions of the committees are placed before the Board for information or for approval.

FREQUENCY AND LENGTH OF MEETING OF THE COMMITTEES OF THE BOARD AND AGENDA

The Chairman of each Committee of the Board, in consultation with the Chairman of the Board and appropriate members of the management determine the frequency and length of the meetings of the Committees and develop the Committees agenda. The agenda of the Committee meetings is shared with all the members of the Committee.

Chairmanship / Membership of Directors in Committees of the Board of Directors of the Company as on March 31, 2018:

S. No.	Director	Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Finance Committee	Employees' Stock Option Allotment Committee	Risk Management Committee	Diversity Committee
Executive Directors									
1.	Mr. Shiv Nadar	N.A.	Member	Member	Member	Member	Member	N.A.	Member
Non-Independent, Non-Executive Directors									
2.	Ms. Roshni Nadar Malhotra	N.A.	Member	Member	Chairperson	Member	N.A.	N.A.	Member
3.	Mr. Sudhindar Krishna Khanna	N.A.	N.A.	N.A.	N.A.	Member	N.A.	N.A.	N.A.
Independent, Non-Executive Directors									
4.	Mr. Keki Mistry*	Chairman	N.A.	N.A.	N.A.	N.A.	N.A.	Chairman	N.A.
5.	Mr. Ramanathan Srinivasan	N.A.	Chairman	N.A.	N.A.	Member	N.A.	N.A.	N.A.
6.	Ms. Robin Ann Abrams	Member	Member	N.A.	N.A.	N.A.	N.A.	Member	Chairperson
7.	Dr. Sosale Shankara Sastry	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
8.	Mr. Subramanian Madhavan	Member	N.A.	Chairman	Member	Chairman	Member	Member	N.A.
9.	Mr. Thomas Sieber	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
10.	Ms. Nishi Vasudeva	Member	N.A.	N.A.	N.A.	N.A.	N.A.	Member	N.A.
11.	Mr. Deepak Kapoor**	Member	N.A.	N.A.	N.A.	N.A.	N.A.	Member	N.A.

** Mr. Keki Mistry resigned as an Independent Director of the Company w.e.f. April 30, 2018*

***Mr. Deepak Kapoor was appointed as an additional Director of the Company w.e.f. July 26, 2017 and was co-opted as a member of the Audit Committee on November 01, 2017. Mr. Deepak Kapoor was also co-opted as a member of the Risk Management Committee on January 19, 2018.*

1. Audit Committee

As on March 31, 2018, the Audit Committee comprised of five Independent Directors namely:

a) Mr. Keki Mistry (Chairman)
b) Ms. Robin Ann Abrams
c) Mr. Subramanian Madhavan
d) Ms. Nishi Vasudeva
e) Deepak Kapoor

The Company Secretary acts as a Secretary to the Committee.

During the year under review, Mr. Deepak Kapoor was co-opted as the member of the Committee w.e.f. November 01, 2017.

Mr. Subramanian Madhavan was appointed as the Chairman of the Committee in place of Mr. Keki Mistry who resigned from the Board of the Company w.e.f. April 30, 2018.

Terms of Reference

The terms of reference of Audit Committee are as under:

a) Statutory Auditors

Recommend to the Board the appointment, re-appointment and if required, the replacement or removal of the statutory auditors, including filing of a casual vacancy, fixation of audit fee / remuneration, terms of appointment and also provide prior approval of the appointment of and the fees for any other services rendered by the statutory auditors. Provided that the statutory auditors shall not render services prohibited to them by Section 144 of the Companies Act, 2013 or by professional regulations.

The Audit Committee shall take into consideration the qualifications and experience of the firm proposed to be considered for appointment as auditors as specified under Section 141 of the Companies Act, 2013 and whether these are commensurate with the size, nature of business and requirements of the Company and also consider any completed and pending proceedings against the proposed firm of auditors before the Institute of Chartered Accountants of India or any competent authority or any Court.

The Audit Committee shall recommend to the Board, the name of the audit firm who may replace the incumbent auditor on the expiry of their term.

b) Review and monitor independence and performance of statutory auditors and Effectiveness of Audit Process

In connection with recommending the firm to be retained as the Company's statutory auditors, review and monitor the information provided by the management relating to the independence of such firm and performance and effectiveness of audit process, including, among other things, information relating to the non-audit services provided and expected to be provided by the statutory auditors.

The Audit Committee is also responsible for:

i) Actively engaging in dialogue with the statutory auditors with respect to any disclosed relationship or services that may impact the objectivity and independence of the statutory auditors, and

ii) Recommending that the Board takes appropriate action in response to the statutory auditors' report to satisfy itself of their independence.

c) Review audit plan

Review with the statutory auditors their plans for, and the scope of, their annual audit and other examinations.

d) Conduct of audit

Discuss with the statutory auditors the matters required to be discussed for the conduct of the audit.

e) Review and examination of Audit Results

Review and examine with the management and the statutory auditors the proposed report on the annual audit, areas of concern, the accompanying management letter, if any, the reports of their reviews of the Company's interim financial statements, and the reports of the results of such other examinations outside the course of the statutory auditors' normal audit procedures that they may from time to time undertake.

f) Review and examination of Financial Statements

Review and examination of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are accurate, sufficient and credible and evaluation of internal financial controls and risk management systems, to obtain reasonable assurance based on evidence regarding processes followed and their appropriate testing that such systems are adequate and comprehensive and are working effectively. The Audit Committee shall review with appropriate officers of the Company and the statutory auditors, the annual financial statements of the Company prior to submission to the Board or public release thereof, focusing primarily on:

1. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(5) of the Companies Act, 2013.
2. Any changes in accounting policies and practices and reasons for the same.
3. Major accounting entries based on exercise of judgment by management.
4. Qualifications in draft audit report.
5. Significant adjustments made in the financial statements arising out of audit.
6. The going concern assumption.
7. Compliance with accounting standards.
8. Compliance with stock exchange and legal requirements concerning financial statements.
9. Any related party transactions i.e. transactions of the Company with its subsidiaries, promoters or the management, or their relatives, etc. that may have conflict with the interest of the Company at large.
10. Contingent liabilities.
11. Status of litigations by or against the Company.
12. Claims against the Company and their effect on the accounts.

The definition of the term "Financial Statements" shall be the same as under section 2(40) of the Companies Act, 2013.

g) Review Quarterly Results

Reviewing with the management, the quarterly / interim financial statements before submission to the Board for approval.

h) Risk Management functions

The Audit Committee shall perform the following Risk Management Functions:

1. Assist the Board in overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and external environmental risks.
2. Review and approve the Risk management policy and associated framework, processes and practices.
3. Assist the Board in taking appropriate measures to achieve a prudent balance between risk and reward in both ongoing and new business activities.
4. Evaluate significant risk exposures including business continuity planning and disaster recovery planning.
5. Assess management's actions in mitigating the risk exposures in a timely manner.
6. Promote Enterprise-wide Risk Management and obtain comfort based on adequate and appropriate evidence that the Management of the Company ensures the implementation and effective functioning of the entire risk management process and embedding of a comprehensive risk management culture in the Company at every stage of its operations.
7. Assist the Board in maintenance and development of a supportive culture, in relation to the management of risk, appropriately embedded through procedures, training and leadership actions so that all employees are alert to the wider impact on the whole organization of their actions and decisions.
8. Maintain an aggregated view on the risk profile of the Company / Industry in addition to the profile of individual risks.
9. Ensure the implementation of and compliance with the objectives set out in the Risk Management Policy.
10. Advise the Board on acceptable levels of risk appetite, tolerance and strategy appropriate to the size and nature of business and the complexity and geographic spread of the Company's operations.
11. Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.

    The Committee shall have access to any internal information necessary to fulfill its oversight role. As and when required the Committee may assign tasks to the Internal Auditor, the Company's internal Risk Management Team and any external expert advisors considered necessary for any task and they will provide their findings to the Committee.

i) Review the performance of the Internal and External Auditors

Review with the management the performance of the statutory and internal auditors and the existence, adequacy and effective functioning of the internal control systems including internal control system over financial reporting, based on appropriate and effective evidence and such other matters as may be required.

j) Oversight Role

Oversight of the company's financial reporting process and the disclosure of its financial information to ensure the financial statements are correct, sufficient and credible.

k) Review internal audit function

Review the adequacy of the internal audit function, including the structure of the internal audit department, adequate staffing and the qualifications, experience, authority and autonomy of the person heading the department, the reporting structure, coverage and frequency of internal audit.

l) Review Internal Audit plans

Review with the senior internal audit executive and appropriate members of the staff of the internal auditing department the plans for and the scope of their ongoing audit activities and also review and approve the periodicity and programme for conducting the internal audit.

m) Review Internal Audit reports

Review with the senior internal auditing executive and appropriate members of the staff of the internal auditing department, the periodic reports of the findings of the audit and reports and the necessary follow up and implementation of correction of errors and other necessary actions required. The Audit Committee shall also review the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of the internal control system of a material nature and ensure that proper corrective action is taken. Any such matters shall be reported to the Board if necessary and appropriate.

n) Review systems of internal financial controls

Review with the statutory auditors, and the senior internal auditor to the extent deemed appropriate by the Chairman of the Audit Committee, the adequacy of the Company's internal financial controls as defined in section 134 of the Companies Act, 2013.

o) Review and ensure the existence, adequacy and effective functioning of a Vigil Mechanism / Whistle-blower Policy appropriate to the size, complexity and geographic spread of the Company and its operations

The Vigil mechanism / Whistle-blower Policy set up / formulated by the Company shall provide for adequate safeguards against victimization of all persons referring any matter under the mechanism and shall also provide for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. Matters referred and the action taken shall be regularly reported to the Audit Committee once a quarter or more frequently. The mechanism and policy shall cover whistle blower and complaint references of all kinds, including alleged fraud by or against the Company, abuse of authority, misbehaviour, ill treatment and unfair treatment of all kinds including all allegations and charges of harassment, sexual or otherwise, whether made by a named complainant or anonymously. Complaints which are prima facie frivolous in the view of the Ethics Committee of the Company or other committee or group of individuals responsible for investigating complaints and taking suitable action may be closed with appropriate reasons recorded. If any of the members of the Audit Committee have a conflict of interest in a given case, they should recuse themselves and the others on the Audit Committee would deal with the matter on hand.

p) Review other matters

Review such other matters in relation to the accounting, auditing and financial reporting practices and procedures of the Company as the Audit Committee may, in its own discretion, deem desirable in connection with the review functions described above.

q) Reporting to Board

Report its activities to the Board in such manner and at such times, as it deems appropriate.

r) Investigation

The Audit Committee has the authority to investigate any matter in relation to the items specified in Section 177 of the Companies Act, 2013 or referred to it by the Board and for this purpose; it shall have full access to the information contained in the records of the Company. It may also investigate any activity within its term of reference. It has the authority to look into the

reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (for non-payment of declared dividends) and creditors, if any and any other instance of a failure of legal compliance.

s) Seek information / advice

The Audit Committee may seek information from any employee and may obtain from external independent sources any legal or other professional advice it considers necessary in the performance of its duties. It may also secure attendance of independent professional persons with suitable qualifications and relevant experience in specific matters, if it considers this necessary.

t) Approval for appointment of Chief Financial Officer

The Audit Committee shall approve the appointment of the Chief Financial Officer of the Company (the whole-time Finance Director or any other person heading the finance function) after assessing the qualifications, experience and background etc. of the candidate.

u) Review and monitor the Statement of Uses and Application of Funds

Review and monitor, with the management, the statement of uses / application of funds raised through an issue (public, rights, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of the public issue or rights issue, and make appropriate recommendations to the Board.

v) Review of other Information

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operation.
2. Statement of significant (material) related party transactions submitted by the management.
3. Management letters / letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor of the Company.
6. Inter- corporate loans and investments.
7. Valuation of undertakings and assets of the Company whenever necessary.

w) Basis of Related Party Transactions

1. The statement in summary form of transactions with related parties in the ordinary course of business shall be placed periodically before the Audit Committee.
2. Details of individual transactions with related parties, which are not in the normal course of business, shall be placed before the audit committee.
3. Details of individual transactions with related parties or others, which are not on an arm's length basis shall be placed before the Audit Committee together with the management's justification for the selection of the related party and the price and other terms agreed.
4. The Audit Committee shall be responsible for the approval or any subsequent modification of ALL transactions of the Company with related parties.
5. On satisfying itself adequately regarding the reasons for the related party transactions undertaken and the terms and conditions agreed including price and the observation of the arm's length principle, with suitable explanations for any departures, the Audit Committee shall periodically approve the related party transactions.

Explanation:

(a) The term "Related Party Transactions" shall have the meaning as contained under section 188 of the Companies Act, 2013 and Regulation 2(1)(zc) and Regulation 23 of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 which are currently in force or as may be amended from time to time.

(b) The term "Related Party" shall be as defined under section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 which are currently in force or as may be amended from time to time.

x) To attend Annual General Meeting

The Chairman of the Audit Committee shall attend the annual general meetings of the Company to provide

any clarification on matters relating to its scope sought by the members of the Company.

The statutory auditors of the Company shall be special invitees to the Audit Committee meetings, and they shall participate in discussions related to the audit and reviews of the financial statements of the Company and any other matter that in the opinion of the statutory auditors needs to be brought to the notice of the Audit Committee or any matter in which they are invited by the Audit Committee to participate.

y) Subsidiary Companies

The Audit Committee of the holding company shall also review the financial statements, in particular the inter-corporate loans and investments made by or in the subsidiary companies.

z) Reporting of Fraud by the Auditors

In case the auditor of the Company has sufficient reason to believe that an offence involving fraud is being or has been committed against the Company by officers or employees of the Company, or by the Company, the auditor shall forward his report to the Audit Committee and the Audit Committee shall send its reply or observations to the auditor and such matters shall be reported to the Board by the Audit Committee.

aa) Cost Auditor

If the Company is required by the Companies Act, 2013 or other legal provision to appoint a cost auditor to have a cost audit conducted, the Audit Committee shall taking into consideration the qualifications and experience of the person proposed for appointment as the cost auditor and recommend such appointment to the Board, together with the remuneration to be paid to the cost auditor.

ab) Review of the Terms of Reference of the Audit Committee

The Audit Committee shall review and reassess the adequacy of the terms of reference of the Audit Committee on a periodical basis, and where necessary obtain the assistance of the management, the Group's external auditors and external legal counsel.

ac) Registered Valuer

The Audit Committee shall prescribe the terms and conditions, and the appointment of a registered valuer having the requisite qualifications and experience.

Nine meetings of the Audit Committee were held during the financial year under review. These were held April 6, 2017, May 10, 2017, July 25, 2017, July 26, 2017, September 20, 2017, October 23, 2017, January 11, 2018, January 18, 2018 and March 28, 2018.

Attendance details of each member at the Audit Committee meetings held during the financial year ended March 31, 2018 are as follows:

Name of the Committee Member	Position	Number of Meetings held	Number of Meetings attended
Mr. Keki Mistry[3]	Chairman	9[1]	4
Ms. Robin Ann Abrams	Member	9[2]	8
Mr. Subramanian Madhavan	Member	9	9
Ms. Nishi Vasudeva	Member	9	8
Mr. Deepak Kapoor[4]	Member	9	3

(1) Mr. Keki Mistry attended one meeting through teleconference call.

(2) Ms. Robin Ann Abrams attended three meetings through teleconference call.

(3) Mr. Subramanian Madhavan was appointed as the Chairman of the Committee in place of Mr. Keki Mistry who resigned from the Board of the Company w.e.f. April 30, 2018.

(4) Mr. Deepak Kapoor was co-opted as a member of the Committee w.e.f. November 1, 2017. Post his appointment as a member of the Committee, three meetings of the Committee were held during the year, all of which were attended by him.

2. Corporate Social Responsibility Committee

As on March 31, 2018, the Corporate Social Responsibility (CSR) Committee comprised of three members including one independent Director namely:

a) Ms. Roshni Nadar Malhotra (Chairperson)
b) Mr. Shiv Nadar
c) Mr. Subramanian Madhavan

Terms of Reference

The Terms of Reference of the CSR Committee are as under:

1. Formulate and recommend to the Board, a CSR Policy.
2. Recommend the amount of expenditure to be incurred on CSR activities.
3. Institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company.
4. Monitor CSR policy from time to time.

During the financial year ended March 31, 2018, the CSR Committee met two times on April 26, 2017 and October 11, 2017.

3. Nomination and Remuneration Committee

As on March 31, 2018, the Nomination and Remuneration Committee comprised of four members, with two of its members as Independent Directors, namely:

a) Mr. Ramanathan Srinivasan (Chairman)
b) Ms. Robin Ann Abrams
c) Ms. Roshni Nadar Malhotra
d) Mr. Shiv Nadar

Terms of Reference

The Terms of Reference of the Nomination and Remuneration Committee are as under:

a) Succession planning for certain key positions in the Company viz. Directors, Chief Executive Officer (CEO), Chief Operating Officer (COO), Chief Financial Officer (CFO) and Senior Management. The Committee to identify, screen and review candidates, inside or outside the Company and provide its recommendations to the Board.

b) Review and recommend to the Board the appointment and removal of directors / Key Managerial Personnel and persons in senior management. "Senior Management" shall mean corporate officers of the Company.

c) Carry out evaluation of all Directors and Board performance.

d) Recommend to the Board a policy relating to remuneration of Directors, Key Managerial Personnel and other employees.

The Nomination and Remuneration Committee while formulating the aforesaid policy shall ensure that-

1. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully;

2. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

3. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

e) Formulate the criteria for determining the qualifications, positive attributes and independence of Directors.

f) Devise a Policy on Board Diversity.

g) Review and approve / recommend the remuneration for the Corporate Officers, / Whole-Time Directors of the Company.

h) Approve inclusion of senior officers of the Company as Corporate Officers.

i) Approve promotions within the Corporate Officers.

j) Regularly review the Human Resource function of the Company.

k) Approve grant of stock options to the employees and / or Directors (excluding Independent Directors and Promoter Directors) of the Company and subsidiary companies and perform such other functions and take such decisions as are required under the various Employees Stock Option Plans of the Company.

l) Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.

m) Make reports to the Board as appropriate.

n) Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.

During the financial year ended March 31, 2018, the Nomination and Remuneration Committee met four times on May 10, 2017, July 26, 2017, September 21, 2017 and January 16, 2018.

Attendance details of each member at the Nomination and Remuneration Committee, during the year ended March 31, 2018 are as follows:

Name of the Committee Member	Position	Number of Meetings held	Number of Meetings attended
Mr. Ramanathan Srinivasan	Chairman	4	4
Ms. Robin Ann Abrams	Member	4*	4
Ms. Roshni Nadar Malhotra	Member	4	3
Mr. Shiv Nadar	Member	4	4

**Attended one meeting through teleconference call.*

Further, during the year under review, three meetings of the Nomination and Remuneration Committee were held via teleconference calls on May 02, 2017, November 17, 2017 and December 01, 2017 and the decisions were taken through resolutions by

circulation.

Remuneration Policy and criteria of making payments to Executive and Non-Executive Directors

The remuneration policy of the Company is aimed at rewarding performance, based on a review of achievements on a regular basis and is in consonance with existing industry practices.

The criteria for making payments to Executive and Non-Executive Directors of the Company are as under:

Executive Directors:

The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee to the Board and after approval by the Board the same is put up for shareholders' approval. Executive Directors do not receive any sitting fees for attending the Board and Committee meetings.

During the year, the Board comprised of one Executive Director viz. Mr. Shiv Nadar. There are no separate provisions for the service of notice period and payment of severance fee by the Executive Directors at the time of their termination.

The remuneration paid to Mr. Shiv Nadar for the year ended March 31, 2018 from the Company / subsidiaries is as under:

Particulars	₹/ crores
Salary	-
Perquisites	1.60
Others: -Medical -Misc. reimbursement	 0.02 0.02
Contribution to Provident Fund	-
Total	**1.64**

Note: In addition, Mr. Shiv Nadar received ₹3.35 crores as salary and perquisites from the subsidiaries of the Company. The overall compensation is in accordance with the approval given by the Board and Shareholders of the Company.

Non-Executive Directors:

During the year, the Company paid sitting fees to its Non- Executive Directors for attending the meetings of the Board of Directors, Audit Committee and Finance Committee of the Company. The Company also paid commission to its Non-Executive Directors as approved by the Board within the limits approved by the shareholders of the Company. The amount of such commission, taken together for all Non-Executive Directors, does not exceed 1% of the net profits of the Company in a financial year. The said commission is decided each year by the Board of Directors and distributed amongst the Non-Executive Directors based on their attendance and contribution at the Board and certain Committee meetings, as well as the time spent on operational matters other than at meetings.

The sitting fees and commission paid / payable to the Non-Executive Directors for the year ended March 31, 2018 are as under:

Name of the Director	Sitting Fees for the FY (2017-18) ₹/ crores	Commission for the FY (2017-18) ₹/ crores
Mr. Keki Mistry(1)	0.01	0.66
Mr. Ramanathan Srinivasan	0.01	1.08
Ms. Robin Ann Abrams	0.02	1.15
Ms. Roshni Nadar Malhotra	0.02	0.75
Mr. Subramanian Madhavan	0.04	0.76
Mr. Sudhindar Krishan Khanna	0.01	0.58
Dr. Sosale Shankara Sastry	0.01	0.90
Mr. Thomas Sieber	0.01	0.83
Ms. Nishi Vasudeva	0.02	0.62
Mr. Deepak Kapoor(2)	0.02	0.42

(1) Mr. Keki Mistry resigned as an Independent Director of the Company w.e.f. April 30, 2018

(2) Mr. Deepak Kapoor was appointed as a Director of the Company w.e.f. July 26, 2017.

There were no other pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company.

The Remuneration Policy is provided herewith pursuant to Section 178(4) of the Companies Act and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Remuneration Policy for Directors, Key Managerial personnel and other employees

(I) Scope of the Policy

The Remuneration Policy ("Policy") applies to the Directors and Key Managerial personnel of the Company and other employees of the Company and its subsidiaries.

(II) Background

A transparent, fair and reasonable process for determining the appropriate remuneration at all career levels and roles as prevalent in the Company is required to ensure that the shareholders remain informed and confident about the management of the Company.

(III) Objective

The objectives of this policy are:

a) To create a transparent system of determining the appropriate level of remuneration throughout all career levels and roles of the Company.

b) Motivate the directors, Key Managerial personnel and other employees, to perform to their maximum potential.

c) To reward performance and meritocracy, based on review of achievements on a regular basis and is in consonance and benchmarked with the existing industry practices.

d) Allow the Company to compete in each relevant employment market.

e) Provide consistency in remuneration and benefits throughout the Company.

f) Align the performance of the business with the performance of key individuals and teams within the Company.

(IV) Remuneration Policy for Directors

(a) Executive Directors

The remuneration of the Executive Directors will be recommended by the Nomination and Remuneration Committee (Committee) to the Board of Directors (Board) and after approval by the Board the same will be put up for the shareholder's approval.

(b) Non-Executive Directors

Non-Executive Directors will be paid commission as approved by the Board within the limits approved by the shareholders of the Company. The amount of such commission, taken together for all Non-Executive Directors, will not exceed 1% of the net profits of the Company in a financial year calculated as per the requirements of Section 198 of the Companies Act, 2013 ("Act"). The said commission shall be decided each year by the Board of Directors and distributed amongst the Non-Executive Directors based on their attendance, contribution at the Board and certain Committee meetings and the time spent on operational matters other than at meetings.

The Company shall reimburse the travelling, hotel and other out-of-pocket expenses incurred by the Directors for attending the meetings and for other work on behalf of the Company.

(V) Remuneration Policy for Key Managerial Personnel and other employees

The Company's remuneration policy of Key Managerial Personnel (other than Executive Directors covered above) and other employees is driven by their success and performance of the Company. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, performance based variable pay, benefits and perquisites, long term cash incentive plans and equity based reward plans. The Company may grant loans to the employees as per its Employees' Personal Loan Policy. Individual performance pay is determined by business performance and the performance of the individuals measured through periodic appraisal process. The Company will ensure that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate all employees to contribute to their potential and in turn run the Company successfully.

(VI) Disclosure

The policy shall be disclosed in the Board Report, Annual Report and such other places as may be required by the Act and rules framed thereunder, Equity Listing Agreement entered into with the stock exchanges (including any statutory modification(s) or re-enactment thereof) and such other laws for the time being in force.

(VII) Implementation

This Policy has been approved and adopted by the Board of the Company after the recommendation of the Committee of the Company. Any revisions to the Policy will be submitted to the Board for consideration and approval upon recommendation by the Committee.

4. Finance Committee

As on March 31, 2018, the Finance Committee comprised of the following members:

a) Mr. Subramanian Madhavan (Chairman)
b) Mr. Ramanathan Srinivasan
c) Mr. Shiv Nadar
d) Mr. Sudhindar Krishna Khanna
e) Ms. Roshni Nadar Malhotra

Terms of Reference

The Terms of Reference of the Finance Committee are as under:

a) To review and approve the capital structure plans and specific equity and debt financings and recommend the same for approval to the Board.

b) To review and approve the annual budgets and other financial estimates and provide its recommendations to the Board.

c) To review the actual performance of the Company against the budgets.

d) To review and approve the capital expenditure plans and specific capital projects and recommends the same to the Board for approval.

e) To evaluate the performance of and returns on approved capital expenditure.

f) To consider and approve the proposal which involves funding assets on operating and / or financial lease in the normal course of business.

g) To review and approve the proposals for mergers, acquisitions and divestitures and provide its recommendations to the Board.

h) To evaluate the performance of acquisitions.

i) To consider and approve the proposals for fresh investments by way of infusion of capital and / or providing of loan and any further investments (by capital / loan) in wholly owned subsidiaries / Branches and providing any guarantees for funding the same.

j) To evaluate the performance of subsidiaries / JVs / Branches.

k) To plan and strategies for managing the foreign exchange exposure – The Committee to approve the hedging policy and monitor its performance.

l) To approve the investment policy and review the performance thereof.

m) To recommend dividend policy to the Board.

n) To review and approve the insurance coverage and program for the Company.

o) To consider and approve the guarantees / bonds provided by the Company either directly or through banks in connection with the Company's business.

p) To approve opening / closing of bank accounts of the Company and change in signatories for operating the bank accounts.

q) To perform any other activities or responsibilities assigned to the Committee by the Board of Directors from time to time.

r) To delegate authorities from time to time to the Executives / Authorised persons to implement the decisions of the Committee within the powers authorised above.

During the financial year ended March 31, 2018, the Committee met 4 times on April 26, 2017, September 21, 2017, January 17, 2018 and March 13, 2018.

Further, during the year under review, a meeting of the Finance Committee was held via teleconference call on July 6, 2017 and the decisions were taken through resolutions by circulation.

5. Stakeholders' Relationship Committee

As on March 31, 2018, the Stakeholders' Relationship Committee comprised of the following members:

a) Mr. Subramanian Madhavan (Chairman)
b) Ms. Roshni Nadar Malhotra
c) Mr. Shiv Nadar

Terms of Reference

The Stakeholders' Relationship Committee has been formed to undertake the following activities:

a) To review and take all necessary actions for redressal of grievances and complaints of Security Holders as may be required in the interests of the security holders.

b) To approve requests of re-materialisation of shares / securities, issuance of split and duplicate shares / security certificates.

During the year under review, the Committee met 9 times on April 19, 2017, May 18, 2017, June 30, 2017, July 12, 2017, August 11, 2017, December 28, 2017, January 17, 2018, February 06, 2018 and March 13, 2018.

Name, Designation and Address of Compliance Officer

Mr. Manish Anand
Sr. Vice President & Company Secretary
HCL Technologies Limited
Plot No.: 3A, Sector 126, Noida-201 304, UP, India
Tele-Fax. +91-11-26436336
E-mail: manishanand@hcl.com

Investors' Grievances

The following table shows the Shareholders' complaints received during the financial year ended March 31, 2018:

Source of Complaint	Received	Resolved
Directly from the Investors	33	33
Through SEBI, Stock Exchanges, etc.	4	4
Total	**37**	**37**

6. Employees' Stock Option Allotment Committee

As on March 31, 2018, the Employees' Stock Option Allotment Committee comprised of the following members:

a) Mr. Shiv Nadar
b) Mr. Subramanian Madhavan
c) Mr. Anil Kumar Chanana

This Committee has been formed to allot shares to the employees who have exercised their stock options under the Stock Option Plans of the Company.

During the financial year under review, the Committee met 9 times on April 13, 2017, April 25, 2017, May 12, 2017, September 06, 2017, October 09, 2017, December 13, 2017, January 17, 2018, February 6, 2018 and March 23, 2018.

7. Risk Management Committee

As on March 31, 2018, the Risk Management Committee comprised of the following members:

a) Mr. Keki Mistry (Chairman)
b) Ms. Robin Ann Abrams
c) Mr. Subramanian Madhavan
d) Ms. Nishi Vasudeva
e) Mr. Deepak Kapoor

During the year under review, Mr. Deepak Kapoor was co-opted as the member of the Committee w.e.f. January 19, 2018.

Mr. Subramanian Madhavan was appointed as the Chairman of the Committee in place of Mr. Keki Mistry who resigned from the Board of the Company w.e.f. April 30, 2018.

Terms of Reference

The terms of reference of the Risk Management Committee are as follows:

1) To assist the Board of Directors ("Board") in overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and external environmental risks.

2) To assist the Board in taking appropriate measures to achieve a prudent balance between risk and reward in both ongoing and new business activities.

3) To review and approve the Risk Management Policy and associated framework, processes and practices.

4) To evaluate significant risk exposures including business continuity planning and disaster recovery planning.

5) To assess management's actions in mitigating the risk exposures in a timely manner.

6) To promote Enterprise-wide Risk Management and obtain comfort based on adequate and appropriate evidence that the Management of the Company ensures the implementation and effective functioning of the entire risk management process and embedding of a comprehensive risk management culture in the Company at every stage of its operations.

7) To assist the Board in maintenance and development of a supportive culture, in relation to the management of risk, appropriately embedded through procedures, training and leadership actions so that all employees are alert to the wider impact on the whole organization of their actions and decisions.

8) To maintain an aggregated view on the risk profile of the Company / Industry in addition to the profile of individual risks.

9) To ensure the implementation of and compliance with the objectives set out in the Risk Management Policy.

10) To advise the Board on acceptable levels of risk appetite, tolerance and strategy appropriate to the size and nature of business and the complexity and geographic spread of the Company's operations.

11) To review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.

12) The Committee shall have access to any internal information necessary to fulfill its oversight role. As and when required the Committee may assign tasks to the Internal Auditor, the Company's internal Risk management team and any external expert advisors considered necessary for any task and they will provide their findings to the Committee.

During the year under review, the Committee met once i.e. on October 23, 2017.

8. Diversity Committee

During the year under review, in order to affirm, guide and support the commitment of the Company to drive gender diversity, the Board of Directors formed a Committee of the Board of Directors named as Diversity Committee.

As on March 31, 2018, the Diversity Committee comprised of the following members:

a) Ms. Robin Ann Abrams (Chairperson)
b) Ms. Roshni Nadar Malhotra
c) Mr. Shiv Nadar

Terms of Reference

The terms of reference of the Diversity Committee are as follows:

1) To serve in an advisory capacity to provide management with appropriate guidance on gender diversity.

2) To review and evaluate the efforts of HR and other departments with respect to the initiatives relating to gender diversity and provide oversight with respect to matters of strategy and progress in this regard.

3) To address specific issues or problems relating to diversity or inclusion that may arise with the objective of identifying which procedures or policies to be enhanced, changed or discarded and to ensure that senior management has a timely and reasonable action plan to promote gender diversity.

4) To monitor and oversee the development and implementation of diversity policies, programs and actions and procedures so as to ensure that they are appropriate to, and assist in the fulfillment of, the Company's duties and responsibilities to provide equal opportunities to female candidates / employees.

5) To provide periodic reports to the Board.

During the year under review, the Committee met 4 times on May 08, 2017, July 24, 2017, October 12, 2017 and January 17, 2018.

SUCCESSION PLANNING

Succession Planning aids the Company in identifying and developing internal people with the potential to fill certain key positions in the Company viz. Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and Company Secretary. It increases the availability of experienced and capable employees that are prepared to assume these roles as they become available. Succession Planning is a part of the charter of the Nominations & Remuneration Committee of the Company. The Committee shall identify, screen and review candidates, inside or outside the Company and provide its recommendations to the Board.

INDEPENDENCE OF STATUTORY AUDITORS

The Board ensures that the statutory auditors of the Company are independent and have an arm's length relationship with the Company.

MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

There have been no materially significant related party transactions, monetary transactions or relationships between the Company and its Directors, management, subsidiary or relatives, except for those disclosed in the financial statements for the financial year 2017-18. Detailed information on materially significant related party transactions is enclosed in Annexure 2 to the Board Report. A Policy on Related Party Transactions formulated pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with the Stock Exchanges and approved by the Board is available on the website of the Company at https://www.hcltech.com/investors/governance-policies.

CODE OF BUSINESS ETHICS AND CONDUCT

The Board has prescribed a Code of Business Ethics and Conduct (COBEC) that provides for transparency, ethical conduct, a gender friendly workplace, legal compliance and protection of Company's property and information. COBEC is a set of guiding principles and covers all directors, employees, third party vendors, consultants and customers across the world. For Independent Directors the COBEC also includes duties as mentioned in Schedule IV of the Companies Act, 2013. COBEC is periodically reviewed taking into account the prevailing business and ethical practices. The Code is also posted on the website of the Company https://www.hcltech.com/investors/governance-policies.

All Board members and senior management personnel have confirmed compliance with the Code for the financial year ennded March 31, 2018. A declaration to this effect signed by the Chairman & Chief Strategy Officer and CEO of the Company is provided elsewhere in this Report.

CODE FOR PREVENTION OF INSIDER TRADING

The Company has comprehensive guidelines on prevention of insider trading in line with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code of Conduct to Regulate,

Monitor and Report Trading by Insiders ('Insider Trading Code') for prevention of insider trading inter-alia prohibits purchase / sale of shares of the Company by employees / Directors while in possession of unpublished price sensitive information in relation to the Company. The Company, within two working days of receipt of the information under the Initial and Continual disclosures from Directors, discloses the same to all the Stock Exchanges, where the shares of the Company are listed.

ANTI-BRIBERY POLICY AND ANTI-CORRUPTION POLICY

To ensure the Company's policy for conducting its business activities with honesty, integrity and highest possible ethical standards and company's commitment towards prevention, deterrence and detection of fraud, bribery and other corrupt business practices, the Company has in place an Anti-Bribery and Anti-Corruption Policy that applies to the employees at all levels, Directors, consultants, agents and other persons associated with the Company, its affiliates and subsidiaries. This Policy covers matters relating to hospitality, offset obligations, employment of relatives, guidance on gifts, political / charitable contributions, extortion / blackmail responses etc. The policy is available on the website of the Company at https://www.hcltech.com/investors/governance-policies.

PREVENTION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE POLICY

In order to provide a safe and healthy work environment free of any hassles and all kinds of harassment including sexual harassment and to prevent and redress such harassment complaints, the Company has in place Prevention and Redressal of Sexual Harassment at Work Place Policy. This policy applies to all employees of the Company, its group companies and joint ventures operating out of India like regular, temporary, ad hoc, daily wagers, contractual staff, vendors, clients, consultants, trainees, probationers, apprentices, contract labour and also all visitors to the Company. Any complaints about harassment shall be treated under this Policy. This Policy is not confined to the actual working place of the employees in the sense of the physical space in which paid work may be performed as per the prescribed duty hours but also includes any place visited by the employee arising out of or during the course of employment. The Company has constituted a committee for the redressal of all sexual harassment complaints. These matters are also being reported to the Audit Committee. During the year ended March 31, 2018, the Company has received 4 complaints on sexual harassment that were classified as significant incidents for investigation, all of which were disposed and appropriate actions taken and no complaints remain pending as of March 31, 2018.

WHISTLE BLOWER POLICY

The principles of trust through transparency and accountability are at the core of the Company's existence. To ensure strict compliance with ethical and legal standards across the company, a Whistle Blower Policy is in place to provide appropriate avenues to the Directors, employees, contractors, contractors' employees, clients, vendors, internal or external auditors, consultants, law enforcement / regulatory agencies or other third parties to bring to the attention of the management any issues which are perceived to be of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Business Ethics and Conduct. All cases registered under the Whistle Blower Policy of the Company are reported to the external Ombudsperson who carries out preliminary investigations. Complaints received against senior management staff are overseen by the Chairman's Office and those against other employees / staff by the Chief Ethics Officer of the company. The Whistle Blower has direct access to the Chief Ethics Officer and the Ombudsperson as well as the senior management to share complaint details. The identity of the Whistle Blower is kept confidential. The Audit Committee reviews the policy and its implementation on periodic basis and is provided a quarterly update on the status of various complaints received and investigated. The policy is available on the website of the Company at https://www.hcltech.com/investors/governance-policies.

OBSERVANCE OF THE SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

The Institute of Company Secretaries of India has issued Secretarial Standards on Board Meeting (SS-1) and General Meeting (SS-2) which were made compulsory for all companies by the Ministry of Corporate Affairs. The Institute has also issued Secretarial Standard on Dividend (SS-3), which is however not compulsory. The Company adheres to these standards.

GENERAL BODY MEETINGS

The location and time of the Annual General Meetings held and details of Special Resolution passed thereat during the preceding 3 years are as follows:

Financial Year	Date	Time	Venue	Details of Special Resolution passed
2014-15	December 22, 2015	11.00 A.M.	FICCI Auditorium, Federation House, 1, Tansen Marg, New Delhi-110001	1. Implementation of the 2004 Stock Option Plan ('ESOP Plan') through trust mechanism 2. Authorization for acquisition of shares under 2004 Stock Option Plan
2015-16	September 27, 2016	11:00 A.M.	The Stein Auditorium', Habitat World, at India Habitat Centre, Lodhi Road, New Delhi-110003	No special resolution passed
2016-17	September 21, 2017	11:00 A.M.	The Stein Auditorium', Habitat World, at India Habitat Centre, Lodhi Road, New Delhi-110003	Re-appointment of Mr. Shiv Nadar as the Managing Director of the Company

DETAILS OF RESOLUTIONS PASSED THROUGH POSTAL BALLOT

During the year, the Company sought the approval of the shareholders by way of a Special Resolution through postal ballot / remote e-voting facility for approving the Buy Back of Equity Shares of the Company. The special resolution was duly approved with requisite majority on May 17, 2017.

No special resolution is proposed to be conducted through postal ballot on or before the ensuing Annual General Meeting.

Person conducting the Postal Ballot

Mr. Nityanand Singh, Practicing Company Secretary, FCS No. 2668 was appointed as the Scrutinizer for conducting the Postal Ballot / remote e-voting process in accordance with the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014 made thereunder in a fair and transparent manner.

Procedure followed for Postal Ballot / E-voting

In Compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Section 110 and other applicable provisions of the Companies Act, 2013 ('Act'), read with the rules made thereunder, The Company completed the dispatch of postal ballot notice on April 10, 2017 along with the postal ballot forms and postage pre-paid business reply envelopes to the members whose names appeared in the register of members / list of beneficiaries as on cut-off date i.e. April 5, 2017. The Company also published a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable rules.

The Company also provided the facility of remote e-voting to the members to cast their votes electronically, in accordance with Section 108 of the Act and Rule 20 of the Management Rules, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company engaged the services of National Securities Depositary Limited for the purpose of providing remote e-voting facility. The members had the option to vote either by physical ballot or e-voting.

Members were advised to carefully read the instructions printed on the postal ballot form before casting their vote and return the duly completed form in the attached self-addressed business reply envelope so as to reach the scrutinizer on or before the close of working hours on Friday, May 12, 2017 in case of members desiring to exercise their votes by physical postal ballot forms. Members voting through electronic mode were requested to follow the instructions for e-voting and could vote from 9:00 a.m (IST) on April 13, 2017 till 5:00 p.m (IST) on May 12, 2017.

After due scrutiny of all the postal ballot forms / e-voting received upto the close of working hours on Friday, May 12, 2017, the Scrutinizer submitted his final report on Tuesday, May 16, 2017.

The result of the postal ballot / e-voting was declared on Wednesday, May 17, 2017.

The result of postal ballot / e-voting was published in the newspapers within 48 hours of the declaration of the results and was also placed on the website of the Company at www.hcltech.com, besides being communicated to Stock Exchanges, Depository and its Registrar and Share Transfer Agent.

Detail of Voting Pattern

Based on the Scrutinizers' Report, the details of voting pattern in respect of the Special Resolution is as under:

Description of the Resolution	Votes in favour of the resolution			Votes against the resolution			Invalid Votes	
	Number of members voted through electronic voting system and through Physical ballot form	Number of valid Votes cast (shares)	% of total number of valid votes cast	Number of members voted through electronic voting system and through Physical ballot form	Number of valid Votes cast (shares)	% of total number of valid votes cast	Total number of members whose votes were declared invalid	Total number of invalid votes cast (shares)
Approval for Buyback of Equity Shares	3,193	123,05,94,730	99.69	120	37,85,846	0.31	54	7,304

SUBSIDIARY COMPANIES AND POLICY ON MATERIAL SUBSIDIARY

The Company has formulated and adopted a Policy for determining Material Subsidiary in line with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy aims to set out the principles for determining a material subsidiary. The Policy on the Material Subsidiary is available on the website of the Company at https://www.hcltech.com/investors/governance-policies.

During the year, HCL America, Inc. was a material subsidiary of the Company as per the criteria given under Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee of the Company reviews the financial statements and investments made by the unlisted subsidiary companies. The minutes of the board meetings as well as the statements of significant transactions and arrangements entered into by the unlisted subsidiary companies, if any, are placed before the Board of Directors of the Company from time to time.

CEO / CFO CERTIFICATION

The Certificate as stipulated in Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Part B of Schedule II was placed before the Board along with the financial statements for the financial year ended March 31, 2018 and the Board reviewed the same. The said Certificate is provided elsewhere in the Annual Report.

DISCLOSURES

a) Related party transactions

During the year under review, the Company has not entered into any transaction of a material nature with its subsidiaries, promoters, Directors, the management, senior management personnel, their relatives, etc., that may have any potential conflict with the interest of the Company. The Company has obtained requisite declarations from all Directors and senior management personnel in this regard and the same were placed before the Board of Directors.

b) Compliances by the Company

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authorities relating to the above.

c) Other Disclosures

1. The Company has in place the Whistle Blower Policy and no personnel has been denied access to the Audit Committee.

2. During the year, the Company did not raise any money through public issue, right issues or preferential issues and there was no unspent money raised through such issues.

3. In terms of the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place an "Archival Policy" and a "Policy for Determination of Materiality of Events or Information". Both the policies are available on the website of the Company at https://www.hcltech.com/investors/governance-policies.

MEANS OF COMMUNICATION

a) **Quarterly Results:** Quarterly Results of the Company are generally published inter alia, in Mint and Hindustan.

b) **Website:** Company's corporate website www.hcltech.com provides comprehensive information on company's portfolio of businesses. The website has an entire section dedicated to Company's profile, its core values, corporate governance, business lines and Industry sections. An exclusive section on 'Investors' enables them to access information at their convenience. The entire Reports as well as quarterly, half yearly, annual financial statements, releases and shareholding pattern are available in downloadable format as a measure of added convenience to the investors.

c) **News Releases, Presentations, etc.:** Official news releases, detailed presentations made to media, analysts, institutional investors, etc. are displayed on the Company's website www.hcltech.com. Official media releases are also sent to the Stock Exchanges.

d) **Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Director's Report, Auditor's Report, Management Discussion and Analysis Statement, Corporate Governance Report and other important information is circulated to members and others entitled thereto. The Annual Report of the Company is available on the Company's website in a user-friendly and downloadable form.

e) **Intimation to the Stock Exchanges:** The Company intimates the Stock Exchanges all price sensitive information or such other matters which in its opinion are material and of relevance to the Shareholders.

f) **NSE Electronic Application Processing System:** As per the mandate received from National Stock Exchange of India Limited ('NSE'), the Company has been uploading its financial information, shareholding pattern, Report on Corporate Governance and press releases on the dedicated website of NSE i.e. https://connect2nse.com/ LISTING.

g) **Online Portal-BSE Corporate Compliance & Listing Centre:** As per the mandate received from BSE Limited ('BSE'), the Company has been uploading its financial information, shareholding pattern, Report on Corporate Governance and press releases on the dedicated website of BSE i.e. http://listing.bseindia.com.

h) **Designated Exclusive email- ID:** The Company has the following designated e-mail ID: investors@hcl.com exclusively for investors servicing.

GREEN INITIATIVES DRIVE BY THE MINISTRY OF CORPORATE AFFAIRS, GOVERNMENT OF INDIA

The Company, as a corporate entity, is committed to protect and conserve the natural environment in its operations and services. As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents to the shareholders at their e-mail addresses registered with the Depository participants / Registrar & Share Transfer Agent.

Electronic copies of the Annual Report 2017-18 and notice of the twenty sixth Annual General Meeting will be sent to all the members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2018 and notice of twenty sixth Annual General Meeting shall be sent in the permitted mode. Members requiring physical copies can send a request to the Company Secretary.

The Company sends the communications to the shareholders by electronic mode. The shareholders of the Company are requested to register their email addresses with their depository participants to ensure that the annual report and other documents reaches them on their preferred email address. Shareholders who hold shares in physical form are requested to register their email addresses with the registrar and share transfer agent, by sending a letter duly signed by the first / sole holder quoting details of Folio no.

INVESTOR RELATIONS - ENHANCING INVESTOR DIALOGUE

As a listed entity and a responsible corporate citizen, the Company recognizes the imperative need to maintain continuous dialogue with the investor community. The objective of Investor Relations is to keep investors abreast of significant developments that determine Company's overall performance while at the same time addressing investor concerns. This translates into disseminating timely, accurate and relevant information that helps investors in making informed investment decisions.

To ensure effective communication, the Investor Relations Division provides comprehensive information in the form of Annual Reports, Quarterly Earnings Reports, Investor Releases on the Company's Website under 'Investors' section at https://www.hcltech.com/investors.

Additionally, Conference Calls, Management Interviews, Face to Face Investor Meetings and Annual General Meetings ensure a direct interaction of market participants with the Management Team.

A comprehensive Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Fair Disclosure Code"), for the fair disclosure of Unpublished Price Sensitive Information for all stakeholders, has also been formulated and implemented in line with the SEBI guidelines to ensure the compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The management is committed to build investor relations on the pillars of trust, consistency and transparency. Its proactive approach has enabled the investor community to better understand the nature of the Company's business, management strategies and operational performance over a period of time.

GENERAL SHAREHOLDER INFORMATION			
a.	Annual General Meeting: Date Time Venue	: : :	 September 18, 2018 11:00 A.M. Indian Habitat Centre, Lodhi Road, New Delhi – 110 003
b.	Financial Year	:	01st April, 2017 to 31st March, 2018
c.	Date of Book Closure	:	September 12, 2018 to September 14, 2018 (both days inclusive)
d.	Dividend Payment Date (subject to approval of shareholders)	:	N.A.
e.	Listing of Equity Shares on stock exchanges in India at	:	The National Stock Exchange of India Ltd. (NSE) Exchange Plaza, 5th Floor, Plot No. C / 1, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, India. Tel.: +91-22-26598236, Fax: +91-22-26598237
			BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, India Tel.: +91-22-22721233, Fax: +91-22-22723121
f.	Stock Codes	:	NSE – HCLTECH BSE – 532281
g.	ISIN for Equity Shares	:	INE860A01027
h.	Listing of Non-Convertible Debentures on stock exchanges in India at	:	N.A.
i.	Debenture Trustee	:	N.A.
j.	ISIN for Debentures	:	N.A.
k.	Listing Fees	:	Paid to all Stock Exchanges for the year 2018-19
l.	Corporate Identification Number (CIN) of the Company	:	L74140DL1991PLC046369
m.	Registered Office	:	806, Siddharth, 96, Nehru Place, New Delhi – 110 019, India Tele-Fax.: +91-11-26436336 Homepage: www.hcltech.com

STOCK MARKET PRICE DATA

The details of monthly high and low price of the Equity Shares of the Company and its comparison to broad based indices BSE Sensex and NSE Nifty for period April 1, 2017 to March 31, 2018 are as follows:

Month	Share price on BSE		BSE-Sensex	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2017	878.00	796.50	30,184.22	29,241.48
May 2017	872.00	811.00	31,255.28	29,804.12
June 2017	908.40	831.70	31,522.87	30,680.66
July 2017	926.00	829.50	32,672.66	31,017.11
August 2017	900.00	840.60	32,686.48	31,128.02
September 2017	899.00	847.20	32,524.11	31,081.83
October 2017	941.00	831.50	33,340.17	31,440.48
November 2017	888.20	834.50	33,865.95	32,683.59
December 2017	898.90	825.10	34,137.97	32,565.16
January 2018	1,041.50	879.35	36,443.98	33,703.37
February 2018	1,031.00	896.05	36,256.83	33,482.81
March 2018	980.00	905.90	34,278.63	32,483.84

Source: This information is compiled from the data available from the website of BSE.

Month	Share Price on NSE		NSE-Nifty	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2017	878.25	796.20	9,367.15	9,075.15
May 2017	872.25	808.15	9,649.60	9,269.90
June 2017	909.60	830.30	9,709.30	9,448.75
July 2017	928.00	828.80	10,114.85	9,543.55
August 2017	898.00	840.20	10,137.85	9,685.55
September 2017	898.50	846.20	10,178.95	9,687.55
October 2017	943.80	832.00	10,384.50	9,831.05
November 2017	888.45	834.40	10,490.45	10,094.00
December 2017	901.75	824.85	10,552.40	10,033.35
January 2018	1,040.70	875.95	11,171.55	10,404.65
February 2018	1,014.95	900.10	11,117.35	10,276.30
March 2018	981.60	903.55	10,525.50	9,951.90

Source: This information is compiled from the data available from the website of NSE.

REGISTRAR & SHARES TRANSFER AGENT

Alankit Assignments Limited
Unit: HCL Technologies Limited
205-208, Anarkali Market,
Jhandewalan Extension,
New Delhi – 110 055, India
Tel.: +91-11-42541234, 23541234
Fax: +91-11-42541967
E-mail: rta@alankit.com

SHARE TRANSFER SYSTEM

99.96% of the equity shares of the Company are in dematerialized form. Transfer of these shares are done through the depositories with no involvement of the Company. For the transfer of shares held in physical form, the authority has been delegated to the Company's officials who generally consider and approve the share transfer requests on a fortnightly basis.

The shares sent for physical transfer are generally registered and returned within a period of 15 days from the date of receipt of request, subject to documents being valid and complete in all respects. As per the requirement of Regulation 40 (9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained half-yearly certificates from Practising Company Secretary for due compliance of share transfer formalities and filed the same with the Stock Exchanges.

As on March 31, 2018, no equity share was pending for transfer.

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

As required under Regulation 55A of SEBI (Depositories and Participants), Regulations, 1996, the reconciliation of share capital audit report on the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Ltd. ("CDSL") and the total issued and listed capital for each of the quarter in the financial year ended March 31, 2018 was carried out. The audit reports confirm that the total issued / paid-up share capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

SHAREHOLDING AS ON MARCH 31, 2018

i) Distribution of shareholding as on March 31, 2018

Number of Equity Shares held	No. of Shareholders	Shareholders (%)	No. of Shares	Shares (%)
1 – 100	1,39,671	79.96%	32,90,235	0.24%
101 – 200	14,657	8.39%	22,65,219	0.16%
201 – 500	10,870	6.22%	37,11,805	0.27%
501 – 1000	3,810	2.18%	28,35,685	0.20%
1001 – 5000	3,138	1.80%	70,99,176	0.51%
5001 – 10000	758	0.43%	54,99,477	0.40%
10001 and above	1,777	1.02%	136,75,44,787	98.23%
Total	**1,74,681**	**100.00%**	**139,22,46,384**	**100.00%**

ii) Categories of equity shareholders as on March 31, 2018

Category	Number of Shares held	Voting Strength (%)
Promoters	83,78,80,610	60.18%
Mutual Funds / UTI	7,35,22,907	5.28%
Financial Institutions / Banks	7,38,905	0.05%
Insurance Companies	6,19,50,391	4.45%
Foreign Portfolio Investors	36,94,85,767	26.54%
Foreign Banks	14,822	0.00%
Bodies Corporate	40,99,776	0.29%
Individuals	3,31,03,423	2.38%
NRIs / OCBs	61,71,103	0.44%
NBFC's registered with RBI	1,32,523	0.01%
Foreign Nationals	76,080	0.01%
Trusts	37,68,441	0.27%
Central Government / State Government(s) / President of India*	78,973	0.01%
HUF	4,18,962	0.03%
Clearing Members	8,03,701	0.06%
Grand Total	**139,22,46,384**	**100.00%**

**These represent shares which were transferred to Investor Education and Protection Fund by the Company during the year.*

DEMATERIALIZATION OF SHARES AND LIQUIDITY

The shares of the Company are under compulsory dematerialization ("Demat") category and consequently, shares of the Company can be traded only in electronic form.

The system for getting the shares dematerialized is as under:

a. Share certificate(s) along with Demat Requisition Form (DRF) is to be submitted by the shareholder to the Depository Participant (DP) with whom he / she has opened a Depository Account.

b. DP processes the DRF and generates a unique number *viz.* DRN.

c. DP forwards the DRF and share certificates to the Company's Registrar & Shares Transfer Agent.

d. The Company's Registrar & Shares Transfer Agent after processing the DRF confirms or rejects the request to the Depositories.

e. Upon confirmation, the Depository gives the credit to shareholder in his / her depository account maintained with DP.

As on March 31, 2018, about 99.96% of the equity shares issued by the Company are held in dematerialized form.

The Company's equity shares are regularly traded on NSE and BSE, in dematerialized form.

The Company's ISIN in NSDL & CDSL for Equity Shares: INE860A01027.

Since the trading in the shares of the Company can be done only in electronic form, it is advisable that the shareholders who have the shares in physical form get their shares dematerialized.

OUTSTANDING GDRS / ADRS / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company has not issued any GDRs / ADRs / Warrants or other instruments, which are pending for conversion.

TRANSFER OF UNPAID / UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of section 124 of the Companies Act, 2013, the dividend amounts which have remain unpaid or unclaimed for a period of seven consecutive years from the date of declaration have been transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government pursuant to Section 125 of the said Companies Act, 2013. Shareholders who have not enchased their dividend warrants relating to the dividend specified in Table below are requested to immediately send their request for issue of duplicate warrants. Once the unclaimed dividend is transferred to the IEPF, the same can be claimed from the IEPF Authority after following the procedures prescribed in the IEPF Rules.

Year	Dividend Type	Date of Declaration	Record Date / Book Closure Dates	Dividend Payment Dates	Dividend Amount / per share (₹)	Due Date of transfer to IEPF
2010-2011	Interim	April 20, 2011	April 26, 2011	May 4, 2011	2.00	May 20, 2018
	Final	November 2, 2011	October 25 - November 2, 2011*	November 8, 2011	2.00	December 2, 2018
2011-2012	Interim	October 18, 2011	October 25 - November 2, 2011*	November 8, 2011	4.00	November 17, 2018
	Interim	January 17, 2012	January 23, 2012	February 1, 2012	2.00	February 18, 2019
	Interim	April 18, 2012	April 24, 2012	May 2, 2012	2.00	May 21, 2019
	Final	October 22, 2012	October 23 - 24, 2012 *	October 31, 2012	4.00	November 24, 2019
2012-2013	Interim	October 17, 2012	October 23 - 24, 2012 *	October 31, 2012	2.00	November 19, 2019
	Interim	January 17, 2013	January 22, 2013	January 30, 2013	2.00	February 17, 2020
	Interim	April 17, 2013	April 23, 2013	April 30, 2013	2.00	May 17, 2020
	Final	December 27, 2013	December 20 - 23, 2013 *	December 31, 2013	6.00	January 30, 2021
2013-2014	Interim	October 17, 2013	October 23, 2013	October 31, 2013	2.00	November 16, 2020
	Interim	January 16, 2014	January 23, 2014	January 31, 2014	4.00	February 15, 2021
	Interim	April 17, 2014	April 23, 2014	April 30, 2014	4.00	May 17, 2021
2014-2015	Interim	July 31, 2014	August 6, 2014	August 14, 2014	12.00	August 30, 2021
	Interim	October 17, 2014	October 23, 2014	November 3, 2014	6.00	November 16, 2021
	Interim	January 30, 2015	February 5, 2015	February 11, 2015	8.00	March 1, 2022
	Interim	April 21, 2015	April 27, 2015	May 5, 2015	4.00	May 21, 2022
2015-2016	Interim	Aug 3, 2015	August 10, 2015	August 17, 2015	5.00	September 2, 2022
	Interim	October 19, 2015	October 26, 2015	November 2, 2015	5.00	November 9, 2022
	Interim	Jan 19, 2016	January 28, 2016	February 4, 2016	6.00	February 18, 2023
2016-2017	Interim	April 28, 2016	May 13, 2016	May 13, 2016	6.00	May 29, 2023
	Interim	August 3, 2016	August 19, 2016	August 19, 2016	6.00	September 3, 2023
	Interim	October 21, 2016	November 7, 2016	November 7, 2016	6.00	November 21, 2023
	Interim	January 24, 2017	February 9, 2017	February 9, 2017	6.00	February 24, 2024
2017-2018	Interim	May 11, 2017	May 11, 2017	June 2, 2017	6.00	May 28, 2024
	Interim	July 27, 2017	August 4, 2017	August 11, 2017	2.00	August 26, 2024
	Interim	Oct 25, 2017	November 2, 2017	November 9, 2017	2.00	November 24, 2024
	Interim	Jan 19, 2018	January 30, 2018	February 5, 2018	2.00	February 18, 2025

* Book Closure dates

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 21, 2017(date of last Annual General Meeting) on the website of the Company at https://www.hcltech.com/investors/iepf-details and on the website of the Ministry of Corporate Affairs.

FINANCIAL CALENDAR (TENTATIVE AND SUBJECT TO CHANGE)

Financial reporting for the first quarter ending June 30, 2018	July 26-27, 2018
Financial reporting for the second quarter ending September 30, 2018	October 25-26, 2018
Financial reporting for the third quarter and year ending December 31, 2018	January 17-18, 2018
Financial reporting for the fourth quarter and year ending March 31, 2019	May 07-09, 2019
Annual General Meeting for the year ending March 31, 2019	August 2019

ADDRESS FOR SHAREHOLDERS' CORRESPONDENCE

The Secretarial Department
HCL Technologies Limited
14th Floor, Tower- 6,
Plot No.3A, Sector -126, Noida-201 304, UP, India
Tele-Fax: +91-11-26436336
E-mail: investors@hcl.com

COMPLIANCE CERTIFICATE ON THE CORPORATE GOVERNANCE FROM THE AUDITORS

The certificate dated May 2, 2018 obtained from Statutory Auditors of the Company, M/s. S.R. Batliboi & Co. LLP, confirming compliance with the Corporate Governance requirements as stipulated under Schedule V read with Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed hereto.

CENTRES' LOCATIONS

Chennai – STPI		
RMZ Millennia Business Park, Dr Mgr. Veeranam road no 143, 3rd floor, campus 5, perungudi village, sholinganallur taluk, Kancheepuram District, Chennai - 600096 Tel.: +(91) 44 24540999	D-12, Sidco Industrial Estate. Ambattur Industrial Estate. Ambattur (AMB-1) CHENNAI– 600058. T.N. India Tel.: +(91) 44 42004800 Fax: +(91) 44 26244213	64 & 65, Second Main Road, Ambattur Industrial Estate, Ambattur (AMB-3) Chennai- 600 058, India Tel.: +(91) 44 26133300 Fax: +(91) 44 42180653
94, South Phase Ambattur Industrial Estate, Ambattur (AMB-4) Chennai- 600 058, India Tel: +(91) 44 4226 2222 Fax: +(91) 44 42153333	73-74, South Phase, Ambattur Industrial Estate Ambattur (AMB-5), Chennai- 600 058, India Tel: +(91) 044 43935000 Fax: +(91) 044 42060441	8, South Phase, MTH Road, Ambattur Industrial Estate Ambattur (AMB-6) Chennai- 600 058, India Tel: +(91) 44 43968000 Fax: +(91) 44 43967004
Block-1, No. 84, Greams Road, Thousand Lights, Chennai- 600 006, India Tel.: +(91) 44 66225522	Arihant Technopolis 4 / 293 Old Mahabalipuram Road, Kandanchavadi Perungundi Chennai- 600 096, India Tel.: +(91) 44 43957777	Geometric : HCL Technologies ltd. SP Info city, Block A,1 St Floor Module 4 No: 4 MGR Salai Perungudi, Kandanchavadi

Chennai SEZ		
ELCOT–SEZ Special Economic Zone, 602 / 3, 138, Shollinganallur Village, Shollinganallur - Medavakkam High Road, Tambaram Tamil Nadu Kancheepuram (Dist) Chennai- 600 119, India Tel.: +(91) 44 61050000 Fax: +(91) 44 43325443	ETA-Techno Park, Special Economic Zone 33, Rajiv Gandhi Salai, Navallur Village and Panchayat, Thiruporur Panchayat Union, Chengalpet Taluk Kanchipuram Dist Chennai- 603 103 Tel.: +(91) 44 47461000 Fax: +(91) 44 67412222	

Noida – STPI		
Plot No 1 & 2, Noida Express Highway Sector-125, Noida-201301, U.P., India Tel.: +(91) 120 4046000 Fax: +(91) 120 4258946	A11, Sector 16, Noida-201301 U.P., India Tel.: +(91) 120 4383000 Fax: +(91) 120 2510713	A-2, Sec-3, Noida- 201301, U.P., India Tel.: +(91) 120 7313345
A- 9, 10 &11, Sector 3 Noida-201301, U.P., India Tel.: +(91) 120 2520917 Fax: +(91) 120 2520907	B-34 / 3, Sector 59, Noida - 201301 U.P., India Tel.: +(91) 120 4364488 Fax: +(91) 120 2589688	A - 22, Sector 60, Noida-201301 U.P., India Tel.: +(91) 120 4365700 Fax: +(91) 120 4347485
A- 8 & 9, Sector 60, Noida-201301 U.P., India Tel.: +(91) 120 4384000 Fax: +(91) 120 4384606		
Noida SEZ	**Mumbai STPI**	**Lucknow SEZ**
Noida Technology Hub (SEZ) Plot No: 3A, Sector-126, Noida-201304 U.P., India Tele-Fax: +(91) 11 26436336	703, A & B Wing 7th floor, Reliable Tech Park, Airoli – 400708	Village Kanjehara & Mastemau Chuck Gajaria Farms, Sultanpur Road Lucknow - 262002, U.P.India
Madurai- STPI	**Madurai – SEZ**	**Nagpur SEZ**
SPA IT Towers, Survey No. 155 / 1 and 155 / 2, 120 Feet Road, Near Preethi Hospital, Opp. Mattuthavani Bus Stand Madurai-625020, Tamil Nadu, India Tel.: +(91) 452 4022600	Geometric - Ground Floor, Tower 3 of 2B, Survey No. 12 / 3 & 12 / 4, Devarabeesanhalli Village, Varthur Hobli, Bangalore – 56004 Tel:- +(91) 80 66931199	Plot no. 5, Sector-12, Unit-1 MIHAN SEZ, Nagpur Maharashtra India-441108

Bangalore – STPI		
No-137, Ground Floor, Vayu Block 'B' Wing, Salarpuria GR Tech Park Whitefield, Bangalore-560066 Tel.: +(91) 80 49214600	"Surya Sapphire", Plot No.3, Survey House No 20 & 22, Konappanan Agrahara Village Electronic City, Hosur Road Bangalore-560100. Tel.: + (91) 80 66267000 Fax: +(91) 80 28529100	SJR Equinox, Survey No. 47 / 8 Dhodda Thogur Village, Begur Hobli, Electronic City- 1st phase Bangalore-560100 Tel.: +(91) 80 33209000 Fax: +(91) 80 33208000

Bangalore SEZ		
Special Economic Zone, 129, Tower-1 Jigani Industrial Area, Bommasandra Jigani Link Road, Bangalore-562106 Tel.: +(91) 80 67810000 Fax: + (91) 80 66311111	Manyata Embassy Business Park – SEZ Block C4(ELM), 1st Floor of Wing A & Wing B,Outer Ring Road, Nagavara & Rachenahalli Villages,KR Puram Hobli Bangalore – 560045	Karle Town Centre Survey Nos. 72, 91 / 3 and 91 / 4, Nagavara Vill Kasaba Hobli, Bangalore North Taluk Bangalore - 560045 Tel.: + (91) 80 66390100
Geometric - Ground Floor, Tower 3 of 2B, Survey No. 12/ 3 & 12/4, Devarabeesanhalli Village, Varthur Hobli, Bangalore – 560045 Tel:- +(91) 080 66931199		

Kolkata - SEZ	**Kolkata STPI**	
CANDOR Kolkata One Hi-Tech Structure Pvt. Ltd, Special Economic Zone – IT / ITES, Plot No – 1, Block No. A3, DH Street No:316, 3rd Floor & 4th Floor New Town, Rajarhat, Dist: North 24 Parganas, Kolkata – 700 156	SDF Building, 1st & 3rd Floors, Module Nos. 212-214, 228-230, Block-GP Sector-V, Salt Lake Kolkata-700091, India Tel.: +(91) 33 40308200	

Hyderabad - SEZ		
Plot H-01B, Sy.No.30,34,35 & 38, Avinash Hitech City2 Society, Gachibowli Village, Serillimgampally Mandal Ranga Reddy District	2nd and 3rd office level, Building No.H08 Sy.No.30,34,35 & 38, (L&T Phoenix Infoparks Pvt Ltd), Serlingampally Mandal Ranga Reddy District, Hyderabad	

Pune –STPI		
Plot 6 & 8, Rajiv Gandhi Infotech Park, MIDC Phase 1, Hinjawadi, Pune-411057	9th Floor, Tower -3, World Trade Center, Survey no.1, Kharadi, Pune 411014 Tel +(91) 20 7228800	Wing 01, Tower A, Survey No. 103, Hissa No. 2, Airprot Road, Yerwada, Pune-411006 Tel.: +(91) 20 67411000
Pune - SEZ		
Qubix Business Park Pvt. Ltd. Block IT-2 3rd floor and Block IT-5 5th and 6th floor S.NO. 154 / 6, Rajiv Gandhi Infotech Park, MIDC Phase 1 Hinjawadi, Pune-411057	Tower-7, Upper Ground Floor, Wing A&B Magarpatta SEZ Hadapsar Pune - 400013 Tel.: +(91) 20 30406300	

COMPLIANCE WITH MANDATORY AND NON-MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides certain mandatory requirements which have to be fulfilled by the Company. The Company has complied with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 further states certain non-mandatory requirements which may be implemented as per the discretion of the Company. The Company complies with the following non-mandatory requirements:

1. **Shareholders' Rights**

   The Clause states that half- yearly declaration of financial performance including summary of the significant events in the last six months, may be sent to each shareholder.

   The Company communicates with investors regularly through e-mail, telephone and face to face meetings either in investor's conferences, Company visits or on road shows.

   The Company leverages the internet in communicating with its investors. After the announcement of the quarterly results, a business television channel in India telecasts discussions with the management. This enables a large number of retail investors in India to understand the Company's operations better. The announcement of quarterly results is followed by media briefing in press conferences and earning conference calls. The earning calls are also webcast live on the internet. Further, transcripts of the earnings calls are posted on the website www.hcltech.com.

   The quarterly financial results are also published in English and Hindi daily newspapers.

2. **Audit Qualifications**

   It is always the Company's endeavor to present unqualified financial statements. There is no audit qualification in the Company's financial statements for the year ended March 31, 2018.

3. **Separate posts of Chairman and CEO**

   The positions of the Chairman and the CEO are held by separate individuals. Mr. Shiv Nadar is the Chairman of the Company and Mr. C Vijayakumar is the CEO of the Company.

4. **Reporting of Internal Auditor**

   The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Members of HCL Technologies Limited,
806, Siddharth, 96, Nehru Place,
New Delhi -110019

1. The Corporate Governance Report prepared by HCL Technologies Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations")('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2018. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 3 above.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:

   i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;

   ii. Obtained and verified that the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period;

   iii. Obtained and read the Directors Register as on March 31, 2018 and verified that at least one women director was on the Board during the year;

   iv. Obtained and read the minutes of the following committee meetings held April 1, 2017 to March 31, 2018:

   (a) Board of Directors meeting;
   (b) Audit committee;
   (c) Annual General meeting;
   (d) Nomination and remuneration committee;
   (e) Stakeholders Relationship Committee;

(f) Independent directors meeting; and
(g) Risk management committee;

v. Obtained necessary representations and declarations from directors of the Company including the independent directors; and

vi. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2018, referred to in paragraph 2 above.

Other matters and Restriction on Use

9. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E / E300005

per Nilangshu Katriar
Partner
Membership Number: 058814

Place of Signature: Gurgaon
Date: May 02, 2018

DECLARATION BY THE CHIEF EXECUTIVE OFFICER PURSUANT TO SCHEDULE V(D) READ WITH REGULATION 34 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, Shiv Nadar, Chairman & Chief Strategy Officer and C. Vijayakumar, President & Chief Executive Officer of HCL Technologies Limited (the "Company") confirm that the Company has adopted a Code of Business Ethics and Conduct ("Code of Conduct") for its Board members and senior management personnel and the Code of Conduct is available on the Company's web site.

We, further confirm that the Company has in respect of the financial year ended March 31, 2018, received from its Board members as well as senior management personnel affirmation as to compliance with the Code of Conduct.

Shiv Nadar
Chairman and Chief Strategy Officer

C Vijayakumar
President and Chief Executive Officer

Place: Noida (U.P.), India
Date: May 02, 2018

CERTIFICATE BY THE CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) PURSUANT TO PART B SCHEDULE II READ WITH REGULATION 17 (8) of SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Board of Directors
HCL Technologies Limited
New Delhi

Dear members of the Board,

1. We have reviewed the financial statements and the cash flow statement of the Company for the year ended March 31, 2018 and to the best of our knowledge and belief -

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

4. We have indicated to the Auditors and the Audit Committee –
   (i) that there are no significant changes in internal control over financial reporting during the year;
   (ii) that there are no significant changes in accounting policies during the year; and
   (iii) that there are no instances of significant fraud of which we have become aware.

C. Vijayakumar
President & Chief Executive Officer

Shiv Nadar
Chairman and Chief Strategy Officer

Anil Chanana
Chief Financial Officer

Prahlad Rai Bansal
Deputy Chief Financial Officer

Place: Noida (U.P.), India
Date: May 02, 2018

BUSINESS RESPONSIBILITY REPORT 2018

HCL Technologies Limited

Introduction:

Sustainability is a business imperative today. At the organization, we go beyond traditional service offerings by providing our customers with solutions that not only influence their profits and people but also make a positive impact on their communities, the environment and the planet. While our efforts in this direction go back a long way, few years ago we began a journey in reviewing and documenting our efforts in an annual Sustainability Report.

This commitment to the greater good is growing every year. We are looking at ways to build purpose into leadership and talent development across the company, to recognize business opportunities that help our company grow while addressing societal issues, and to expand and improve our partnerships with customers and suppliers by working together toward solving their Sustainability challenges, which in turn serves us all.

We are happy to present the Business Responsibility Report of the Company for the financial year ended March 31, 2018, pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Business Responsibility Report covers the responses across environment, governance and stakeholder relationships of all the business units directly under HCL Technologies Limited.

Section A: General Information about the Company

1. **Corporate Identity Number (CIN) of the Company:** L74140DL1991PLC046369
2. **Name of the Company:** HCL Technologies Limited.
3. **Registered address:** 806, Siddharth, 96, Nehru Place, New Delhi-110019 India
4. **Website:** www.hcltech.com
5. **E-mail id:** investors@hcl.com
6. **Financial Year reported:** April 1, 2017 to March 31, 2018.
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):** IT Infrastructure Services, Software Application Services, Engineering and R&D Services and Business Process Services.
8. **List three key products / services that the Company manufactures / provides (as in balance sheet):** Computer Programming, Consultancy and Related Activities
9. **Total number of locations where business activity is undertaken by the Company -**
   a) **Number of International Locations (Provide details of major 5):** Operating in **32** countries across the America, Europe, APAC / MEA. For details, refer https://www.hcltech.com/geo-presence.
   b) **Number of National Locations: 73** locations
10. **Markets served by the Company** – Americas, Europes, APAC / MEA. For details, refer https://www.hcltech.com/geo-presence.

Section B: Financial Details of the Company

1. **Paid up Capital (INR): (as on March 31, 2018) –** 278 crores
2. **Total Turnover (INR): (as per the consolidated Financial Statements for the year ended March 31, 2018) –** 50,569 crores
3. **Total profit after taxes (INR): (as per the consolidated Financial Statements on March 31, 2018) –** 8,722 crores
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax–** Refer to Annexure 4 of the Director's Report which forms part of the Annual Report.
5. **List of CSR activities in which expenditure has been incurred:** Refer to Annexure 4 on of the Director's Report which forms part of the Annual Report.

Section C: Other Details

1. **Does the Company have any subsidiary company / companies?**

   Yes

2. **Do the subsidiary company / companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s):**

   Yes. The Company has 94 subsidiaries as on March 31, 2018.

3. **Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, More than 60%]:**

   As a responsible organization, we educate our suppliers and distributors on the BR initiatives of the organization. Also, during various vendor meets and other knowledge sharing platforms, we engage in sharing the BR initiatives.

Section D: BR Information

1. Details of Director / Directors responsible for BR

a) Details of the Director / Director responsible for implementation of the BR policy / policies

- DIN Number – 00030840
- Name – Ms. Robin Ann Abrams
- Designation – Independent Director

b) Details of BR head

S. No.	Particulars	Details
1.	DIN Number (if applicable)	N.A.
2.	Name	Mr. Ajay Davessar
3.	Designation	Global Head & Vice President
4.	Telephone number	0120-6126000
5.	e-mail id	Ajay.davessar@hcl.com

2. Principle-wise (as per NVGs) BR Policy / policies (Reply in Y / N)

BRR Principle mapping to the Policies of the organisation

Principle-wise (as per NVGs) BR Policy / policies (Reply in Y / N)										
S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for P1 to P9	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?**	All the policies are hosted on the Company's intranet site www.myhcl.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy / policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

S. No.	Policy Name	Principle Mapping
1	Employee Code of Business Ethics and Conduct	P1
2	Equal Opportunity Employer	P4, P5
3	Environment Policy	P6, P2
4	Occupational Health and Safety Policy	P3, P5
5	Anti-Bribery and Anti-Corruption Policy	P1
6	Prevention and Redressal of Sexual Harassment	P3, P5
7	Whistleblower Policy	P1, P5
8	Procurement Policy	P2
9	Siting Policy	P8
10	Social Media Policy	P7
11	Supplier Diversity Policy	P4
12	Stakeholder Engagement Framework	P4, P9
13	Business Gifts and Entertainment Policy	P1

***Some of the above policy excerpts are given in the Annexure of this document.*

P. No.	BRR Principles
1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
3	Businesses should promote the well-being of all employees
4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
5	Businesses should respect and promote human rights
6	Businesses should respect, protect, and make efforts to restore the environment
7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
8	Businesses should support inclusive growth and equitable development
9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

3. Governance related to BR

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. -

The Board Committees play a crucial role in the governance structure of the company and are being set out to deal with specific areas / activities of the organization. We have a Corporate Social Responsibility (CSR) Committee of the Board which monitors and reviews the CSR activities. For details on the frequency of the CSR Committee meetings, kindly refer the "Frequency and length of meeting of the Committees of the Board and Agenda" section in the Corporate Governance Report which forms part of the Annual Report.

b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

YES. the Company publishes the Sustainability Report or BR annually. Link for the sustainability report - https://www.hcltech.com/socially-responsible-business

Section E: Principle-wise performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes / No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

   Yes, the organisation has an anti-bribery and anti-corruption policy which is applicable to the entire value chain comprising of all individuals working for all affiliates and subsidiaries of the Company across all levels. This includes all grades, including directors, senior executives, officers, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, casual workers, volunteers, interns, agents or any other person associated with the organisation.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the Management? If so, provide details thereof, in about 50 words or so.

   The Company did not have any significant complaint regarding non-monetary sanctions, fines, anti-competitive behavior, anti-trust, and monopoly practices litigation registered during the financial year ended March 31, 2018.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has

incorporated social or environmental concerns, risks and / or opportunities.

The following three services offered by the organisation address social or environmental concerns, risks and / or opportunities –

a) Green Data Center methodology –

Lately, there has been a proliferation of data with every click, conversation, transaction, and behavior being analyzed and stored. This leads to an increased demand for greater storage and processing power. To meet this requirement, enterprises buy data storage space from data centers. However, this proves to be costly and is not energy efficient. There is a growing concern among IT leaders about the negative impact of high consumption of energy on the environment. They are on the lookout for cost-efficient technologies which not only cater to an organization's data storage needs but are environment-friendly as well. Through Certified Alliance Partnership Program (CAPP), the organisation has partnered with providers who have built green data centers in environment-friendly facilities and implemented recent technologies such as high-density racks, ultrasonic humidification, high-efficiency harmonic mitigating transformers (HMT's), and variable frequency drives (VFDs).This has helped the organisation deliver expert support and green data center solutions along with clean, affordable energy. Leveraging green data center methodology, the organisation has attained close to 80% virtualization for its enterprise customers. By opting for the Next Gen Green Data Center Methodology, enterprises can expect facility, technology, and management assessment, green procurement, e-waste recycling programs, new data center design, power and cooling management along with reporting, monitoring, and management.

b) Waste and recycling –

The environmental volatility, high capital costs and stringent regulatory compliance requirements are some of the major challenges faced by the waste & recycling industry today. The industry is trying to consolidate itself and this phenomenon is omnipresent. To overcome these challenges, enterprises today need an IT and business environment with integrated and simplified processes, which can only be brought about by complete end-to-end business transformational projects.

We serve the specific needs of waste recycling industry spanning from Waste collection, Treatment & Recycling and Waste Disposal to Customer Relationship Management, Enterprise IT and Revenue Management. The organisation offers services and solutions like waste management application software to waste & recycling management enterprises that cut across the waste lifecycle to bring business, operations and IT transformation. The organisation has the largest and most consistent track record of successfully delivering best practice customer billing, enterprise asset management and back office solutions for regulated and de-regulated utilities organizations across the world. The organisation offers end-to-end services ranging from design & blueprinting, implementation & rollout to application development, maintenance and support. Through use of sophisticated tools like GPS and routing software, the organisation helps to integrate the logistics into the financial processes. The water utilities micro-vertical help enterprises to meet the stringent HSE regulations and enhance their customer experience through integrated service offerings in water management system including product engineering, application development and maintenance, infrastructure services and business process outsourcing. Our water utilities practice serves entire water utilities sector (drinking water supply and sewage) and aims at bringing distribution excellence, enhanced customer experience and business transformation to your organization.

c) Energy and Utilities – Smart Grid –

The relatively stagnant power transmission and distribution market is joining hands with the information technology and energy and telecommunication markets to spearhead the transformation of "Smart Grids" and advance the possibility of intelligent utility networks. Smart Grid initiatives focus on both smart grid consulting and smart grid solutions such as Smart Meters for Smart Homes, household appliances operating on Time-of-Use pricing, and demand-response programs. Additional opportunities lie in the area of "Green Energy" generation and usage, and demand-delivery optimization.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

a) Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?

b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Being a responsible corporate, the organisation through its "Environmental Policy" has made a commitment to conserve the environment by adopting a Go Green approach. Many initiatives were undertaken to reduce environmental impact arising out of our business activities. Some of them are listed below:

a) Balancing Employee Comfort and Green Infrastructure Requirements Initiatives

i. Building and Architecture:

1. Orientation of buildings is planned in such a way that it minimizes heat gain through façade after extensive sun path analysis.
2. All open terraces have over / under deck insulation to save energy.
3. High performance glazing system is used to reduce solar heat gain to interior space and have maximum natural light.
4. Shading devices provide for façade to reduce the heat gain to interior space.
5. Solar water heater supplies hot water for cafeteria needs. Underground rainwater storage tank harvests water from all building terraces.
6. Open areas are landscaped with trees, lawns and shrubs to create clean and comfortable atmosphere.
7. All the materials used in the building construction are environment friendly with low VOC as per acceptable norms. For e.g., paints, carpets, furniture, ceiling material etc.

ii. Lighting

1. LED based light fixtures are used in the campuses.
2. Entire street and landscape lighting is LED based.
3. Day light sensors use maximum sunlight used in the buildings.
4. Occupancy based light switching system is used to minimize power consumption.
5. High efficiency light fittings with T5 lamps are used.

iii. UPS system

1. UPS systems with IGBT technology have been installed for low THD.
2. High efficiency UPS have been installed to reduce energy loss.

iv. HVAC System

1. Water-cooled chillers are installed for power saving and STP water utilization.
2. Chillers are provided with VFD starter for optimized and efficient operation.
3. High efficiency VRF air conditioners, which have very low power consumption and deliver maximum cooling and maximum air, are used.
4. All AHU equipment is designed with VFD system for optimized operation.
5. VAV installed in the ducting system to optimize air conditioning based on occupancy requirement.
6. Heat recovery wheels with treated fresh air units installed to reduce heat gain to air-conditioned area. Pumps are installed with VFD to reduce the energy loss.

v. BMS system

Building management system is used to optimize the operation and maintenance of all the utility and services in the campus

vi. Other Interventions / Initiatives

- Utilization of STP water after treatment in horticulture.
- Deployment of organic waste converter in all major campuses for converting waste into useful manure.
- Conversion of diesel vehicles into CNG vehicles for pick-up / drops.
- Working towards conversion of transport fleet from small to bigger cabs by means of realignment of shifts.
- Compliance with prescribed approvals / standards for emissions, hazardous / bio-medical / solid waste.
- Running awareness programs on environmental conservation.

- Sourcing of star rated utility equipment for environmental conservation.
- Use of highly efficient LED lighting solutions
- Use of CFC free refrigerants in Office Air-conditioning.
- Use of video-conferencing to cut down on unnecessary travel cost & environmental protection.

b) Energy Conservation Initiatives:

1. Renewable Power Purchase:

In continuation with our commitment to reduce carbon footprint, we have procured Green Power equal to 16,083 MWH for our 4 facilities i.e. SEZ Campus Chennai, SEZ Campus Bangalore, Surya Sapphire Bangalore and Manesar Campus during FY 17-18. The source of this power was wind and solar-based electricity. This much of Green Power Purchase has enabled the organisation to reduce carbon footprint of 13,188 tCO_2* (Ton of Carbon Emission) over the other available power resources like Grid and Captive.

2. Energy Efficient Lighting:

Energy saving and adhering to Green Buildings norms is basis of designs of all our campus construction across all locations in India. LED lights are being used now in all areas including ODCs and common areas as well as the basements in all major campuses. Motion sensors which operate based on occupancy and movement along with daylight harvesting feature also installed in these areas which result in optimum usage of lights and results in energy saving.

Total energy savings accrued in FY 17-18 towards efficient LED lighting and motion sensors installed in 5 facilities i.e. SEZ Noida Campus, SEZ Campus Bangalore, SEZ Campus Chennai, Surya Sapphire Bangalore and Manesar Campus continued to save 2,726 MWH of absolute energy consumption in this fiscal Year which helped organization to reduce 2,235 tCO2e* (Ton of Carbon Emission).

3. Chiller & AHU Operational Performance Improvement:

Water cooled chillers are also installed at most locations which consume lesser power than air cooled chillers, only in case of water deficit areas air cooled chillers are installed. VFDs (Variable Frequency Drives) are also being used in AHUs which result in lower power consumption by regulating the frequency of the motor depending on the return air temperature which is an indicator of the occupancy and heat load.

4. Effective Utilization of UPS:

Effective utilization of our existing UPS systems by increasing their efficiency through shutdown of overcapacity UPSs at different locations at Bangalore, Noida, Pune & Manesar locations led to save 363 MWH of absolute energy consumption in this fiscal Year, and helped to reduce 298 tCO2e* (Ton of Carbon Emission) of carbon footprint.

5. Revised operating conditions for DC cooling:

To conserve the environment by adopting “Go Green Initiatives” and increase operational efficiency, revised operating conditions of 24°C set point for two of the Data Centers in NCR region facilities undertaken. This helped organization to save 153 MWH of absolute energy consumption in this fiscal Year and reduce 125 tCO2e* (Ton of Carbon Emission) of carbon footprint.

** Conversion reference Grid Emission Factors - CO2 Baseline Database for the Indian Power Sector*

c) Key Projects - Renew Eco System

1. Reducing Carbon Foot Print

Preserving the planet is a priority and the operations, policies and initiatives of the organisation are framed with deep respect for the Earth’s resources.

The organisation is committed to reduce per capita carbon footprint (tCO2e / Employee) by 33% by the year 2020 over the base Year 2011.

The greenhouse gas (GHG) emissions inventory has been prepared in accordance with ‘The Greenhouse Gas Protocol: A corporate accounting and reporting standard’ and ISO 14064: 2006 – Greenhouse gases (Part 1) and the same has been verified & published annually.

The scope / boundary of the yearly GHG emission reporting cover the Pan India and Global Operations of the organisation. This includes three business segments: Software, Infrastructure Management (Infra) and Business Process

Outsourcing Services. (BSERV) and covers data in actuals from April to March every year.

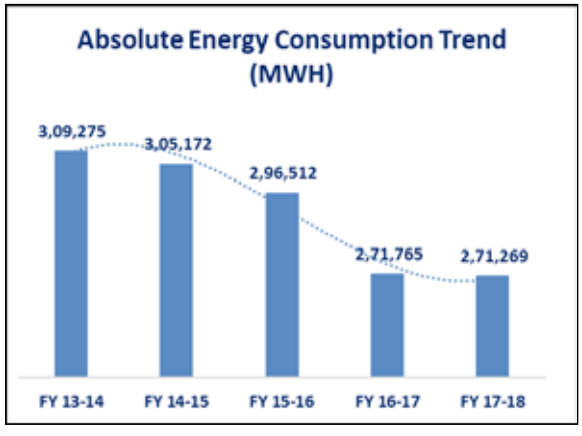
In addition to the above initiatives The organisation has developed in-house an exhaustive online tool (Manage Carbon) to monitor & analyze the trend of emissions and energy consumption.

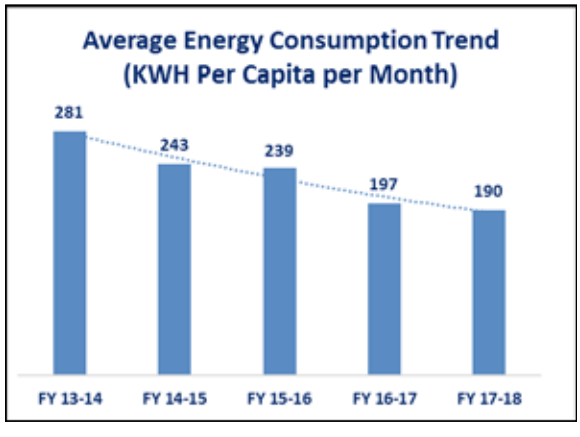
2. Carbon Disclosure Project (CDP)

i. Since financial year ended March 31, 2016, CDP has adopted Grading system, a 4 step approach to gauge the companies. CDP has done away with the marking methodology this year. Leadership grade is the highest, followed by Management, Awareness & Disclosure. The organisation found a place in the 'Management' category in Year 2016.

ii. There has been a significant reduction in absolute energy consumption @ 12% in last 5 years with a headcount growth of 30%.

Average Power Consumption Per Capita is also reduced @ 32% in last 5 years.





3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes, the organisation has procedures in place for sustainable sourcing. The procurement approach is guided by the Purchase Manual, which is based on our equal opportunity policy. The organisation do not discriminate any vendor based on gender, nationality, ethnicity, religion, disability etc. Vendors that are committed to upholding human rights and operate keeping environmental issues in mind are given preference, while all other factors relating to quality and the competitive aspects of the quotes remain the same as others.

Vendors that are identified to have unethical practices are removed from the supplier-vendor list. The organisation carried out an audit of vendor practices and did not identify any vendor who had violated the procurement contractual requirements. Their operations were audited at the time of renewing the contract including aspects of right to exercise freedom of expression and collective bargaining as well as benefits that need to be passed on to their staff.

Vendors go through an appraisal process where they are appraised on the parameters like cost, quality, delivery and sustainability / environment / compliance. The organisation procures IT equipment and software from vendors committed to sustainability. For non IT resources, the organisation strictly monitors the vendors for statutory compliance. The organisation continues to strengthen our policies on sustainable procurement for Infrastructure development projects.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, the organisation ensures that preference is also given to local and small producers, including communities surrounding their place of work. The organisation also ensures that preference is given to local vendors for jobs pertaining to facilities management, procurement of materials for infrastructure development and other operations. This helps in effective and better management of resources and time. With an objective to capacity build and enhance the capability of local and small vendors. Workshops and trainings are conducted which helps them keep pace with the latest in their respective areas of work.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Yes, the organisation does undertake techniques for waste management in order to optimize resources. Listing below various steps which we undertake for our utility and services.

a. Water Management

1. All washrooms are fitted with sensor taps to optimize water usage.
2. All western closets have dual flush system to minimize water wastage.
3. Sewer treatment plant (STP) is installed within campus to treat the sewer water and reuse for flushing, landscaping and HVAC make up water. There is no water discharge from campus.
4. Timer-based automatic controls for water sprinklers are installed to conserve water used for lawn maintenance.
5. 100% replacement of plastic and paper cups with ceramic mugs
6. 100% replacement of tissue towels from washroom with blowers
7. Printer pin deployment to save paper
8. Environment friendly refrigerants are used for air conditioning
9. Rain water recharging pits have been created

b. Water treatment and Reuse

All large the organisation's facilities in India have Sewage Treatment Plants (STP). The treated effluent from the STP is tested regularly against various national and state effluent standards and recycled for use in washroom flushing and gardening.

During financial year ended March 31, 2018, we treated and reused water across all India Operations. We also continue with installing Rain Water Harvesting (RWH) plants in all office buildings with significant operations and we have harvested rain water.

c. Waste Management

Organic waste converter with a capacity of 1000kgs per day is provided to generate manure out of organic waste (from Kitchens, cafeteria, and garden) generated.

i. E-waste – Conventional lights have been replaced with LED based lights, thereby reducing the harmful effects of mercury and reducing the health and environmental concerns. Projectors have also been replaced with LEDs, thus contributing significantly to power consumption and at the same time reducing the waste

ii. Paper – The campus strives to become a paperless campus and thus, suitable measures like, printer pin deployment, printer on alternate floors, setting up maximum printing limit, double side printing and reduction in font size are encouraged. These measures have resulted in significant conservation of paper.

iii. Reduce, Recycle, Reuse – The waste management programs are based on the principles of 3R – we measure and quantify all the waste generated by us. The waste is categorized according to the source and disposal. The hazardous waste is disposed of in environment friendly manner, Paper waste is recycled and reused. Bio medical waste is disposed off in a safe manner. Food remains and garden waste are reused to make manure.

Principle 3: Businesses should promote the well-being of all employees

1. Please indicate the total number of employees.

   The global employee count stands at **1,20,081** employees (Full Time Employees) as on March 31, 2018.

2. Please indicate the Total number of employees hired on temporary / contractual / casual basis.

   Most of our employees works as full time permanent employees. However, we do employ contract staff for noncore activities such as operations, maintenance, security and housekeeping services. This number changes as per the requirements throughout the year. As on March 31, 2018 the contract staff count stands at 7661.

3. Please indicate the Number of permanent women employees.

   24% of the total full-time workforce at the organisation is comprised of women employees.

4. Please indicate the Number of permanent employees with disabilities

   Being an equal opportunity employer and a responsible organization, we do not mandate the disclosure of disability. From April, 2017 to March, 2018, 220 persons with disabilities have voluntarily declared their status.

5. Do you have an employee association that is recognized

by Management?

Yes, in the commitment to engage employees from diverse backgrounds meaningfully, the organisation actively supports and fosters a number of employee Resource Groups. These groups are a recognized component of an inclusive organization. These ERGs are led and driven by employees themselves and use a multi-dimensional approach and act as platforms for employees to anchor organizational change and development. Given below are some of them for reference.

1. Employee Councils

    a) Bikers Club – Over 180 members have participated. Biking is a passion for many of our employees. As part of passion club, we bring all the employees who wish to live their passion while pursuing career which made a huge positive impact and has helped in team building & collaborative approach. Some of the major highlights have been biking to Jodhpur, Jaisalmer, Bharatpur and also organizing one of its kind Father's Bike ride.

    b) Clic Photography Club – 600+ employees have actively participated. In the last few years' photography has become very popular and lot of employees are able to participate due to easy access to equipment's and training platforms. In the organisation we provide them a platform to channelize their creativity and enhance their skills.

    c) Happy Feet club – 300+ participation. Dancing is a huge stress buster as well as a passion which most employees are unable to pursue due to lack of time and motivation. At the organisation, we provide them with a scope where they have established dance clubs and are able to plan and perform during various events as well as spreading this art through WednesYaY sessions.

    d) Jamming Club – 200+ participation. Music is a huge stress buster as well as a passion which most employees are unable to pursue due to lack of time and motivation. At the organisation, we provide them with a scope where they have established Jamming clubs and are able to come together during work hours to tune in to their passion.

    e) Pedal Pushers – 250+ participation. Cycle rides have gain a momentum after employees understood the health benefits through this passion and also, the eco-friendly effects to nature. The organisation has encouraged employees to get together and go ahead with these cycle rides for social causes as well as leisure.

    f) Polyglots Corner – 70+ participation. Employees are encouraged to learn languages like Spanish & French in order to prepare them for a global work environment. These sessions are facilitated by our own employees

    g) Sports Unlimited – 3000+ participation. In a sports team or in the workplace, there aren't many victories without trust. Being able to collaborate effectively and overcoming differences revolves around trusting one another. Sports gives individuals not only the tools to succeed in the workplace but can bring people in the workplace closer together. Sport clubs have resulted in positive attitude in employees along with health benefits.

    h) Stress Management, Laughter Yoga and Meditation – 400+ participation. We all have incredible mental and physical demands of our jobs, as business becomes more global, ever-changing and complex. All of us experience varying degrees of demands and stress throughout the day. Meditation club has helped our employees with decision making, listening skills and helped achieving improved memory and presence of mind.

2. Employee welfare initiatives extending to families – In this program we have two flagship programmes which are running.

    a) O Infinity – It's one of a kind initiative where outstanding HCLites who are passionate about doing better than the best, and who have displayed an insatiable spirit of daring and dedication in their relentless pursuit of excellence and success. The O Infinity League of Outstanding HCLites is an exclusive league that comprises our sterling performers across Lines of Businesses and Support functions. The League is a salute to the sterling efforts of our super achievers; an appreciation of their and their family's contribution in making HCL what it is today!

    b) HCL Family Connect –HCL family connect is an employee engagement initiative built on the philosophy "Relationship beyond the contract" in order to engage and enthuse the HCLites as well their families. The overall goal is to provide information to support family members and address their quality of life. There are numerous

contests held online on occasions such as Diwali, Republic day, International women's day etc.

3. Wellness and well-being of employees – Under this aegis we have many initiatives and activities planned. To name them, Life coach services, Ergonomics, Sahaja Yoga, Stress Management, Health Check-ups, Financial sessions on money management, Healthy Food campaign, Health habits at work place. Last year we had participation from around 21000 employees in various activities.

4. Diversity and Inclusion – 1450+ participation. Through various platforms under this like HCL Women Connect, IMotivate, Feminspiration, Stepping Stones, Ascend – a women leadership program, Lunch with Board Members, our aim is to increase representation of women via multiple ways like support programs, mentoring programs, coaching at all levels, providing platforms to exhibit transformational leadership. Through this the main objective is to advocates a gender neutral work environment by suggesting appropriate policies as well as position the organisation as an employer of choice to women across the globe.

6. What percentage of your permanent employees is members of this recognized employee association?

   Details and break up in terms of participation under various employee forums provided in point number 5 (employee association organized by Management)

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

S. No	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labour / forced labour / involuntary labour	N.A.	N.A.
2.	Sexual harassment	4	Nil
3.	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

In financial year ended March 31, 2018, over 50,000 employees have received health and safety training including ergonomics training.

Other Training programs employee data - April 2017 to March 2018			
Band Categorizations	**Female**	**Male**	**Grand Total**
Executives	12,986	30,652	43,638
Managers	4,390	20,173	24,563
Senior Managers	1,502	11,994	13,496
Leadership	135	1,467	1,602
Grand Total	**19,013**	**64,286**	**83,299**

Scope: HCLT, Global Operations

The above data is inclusive of Permanent Employee, Permanent Women Employees and Employees with Disabilities. Our training programme covers all employees irrespective of race, gender or physical disability. Our training programmes are designed basis our training strategy and continuous learning interventions and skill upgradations.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the Company mapped its internal and external stakeholders? Yes / No

   Yes, the organisation maps its internal and external stakeholders. Please find below a detailed note on our stakeholders mapping and Business Responsibility priorities.

   The stakeholder's engagement during the financial year ended March 31, 2018 helped us to reconfirm our materiality matrix against our four pillars of Responsible Business, Redefine Workplace, Renew Ecosystem and Repay Society.

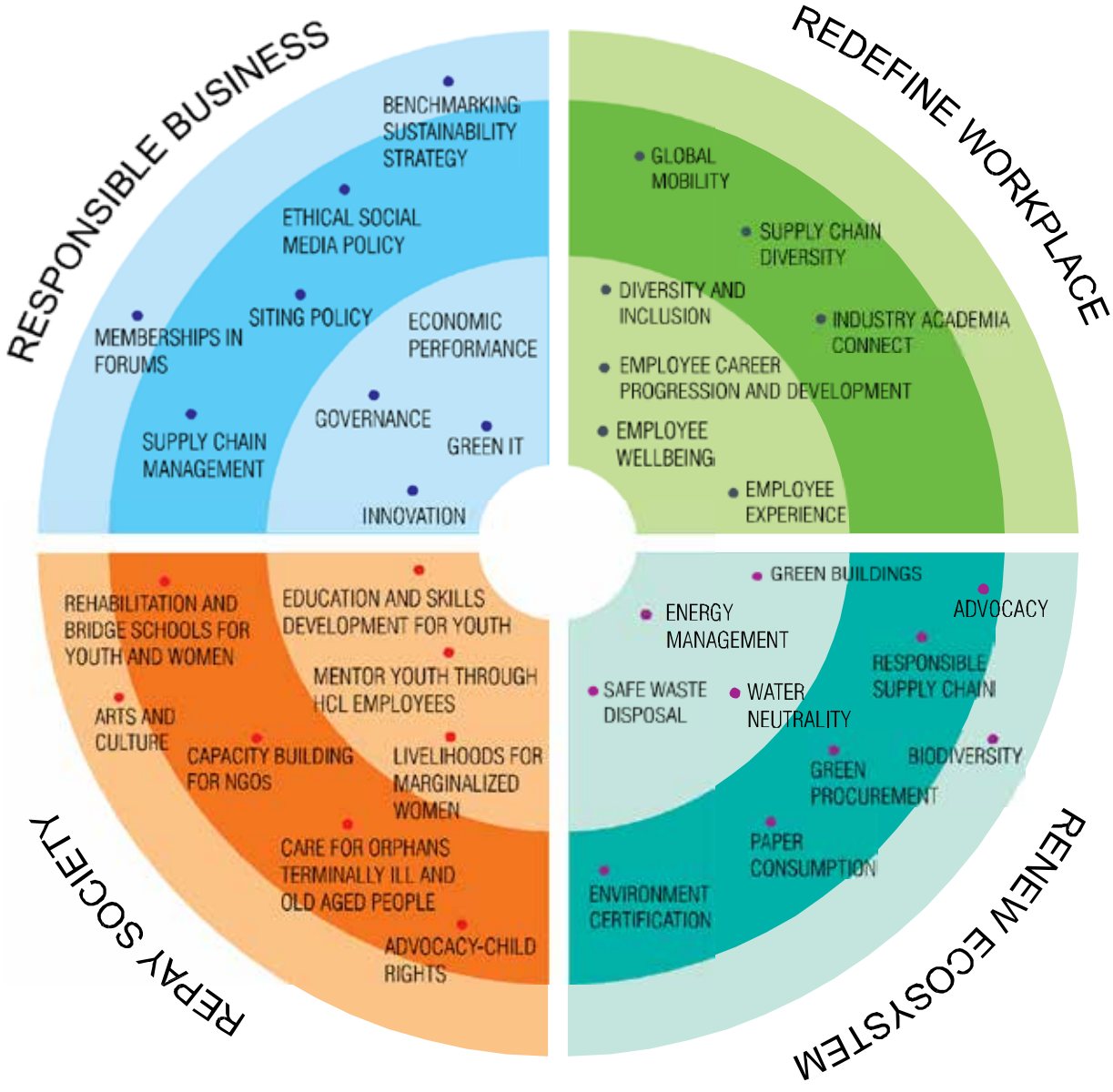
   - **Responsible Business:** A comprehensive risk management framework and business continuity processes and innovation-based solutions for customers and supply chain management.
   - **Redefine Workplace:** Employee career development programs, gender diversity at work place, and safety and security of women employees in India.
   - **Renew Ecosystem:** Certifications, energy management and water conservation.
   - **Repay Society:** Understanding CSR bill in India and

drafting a strategy to align with the requirements, building the capacity of NGOs to support us in the long term, enabling skills development for youths in urban slums as well as in key geographies where we operate (USA and UK), empowering women and identifying sectors for rural development in India.

The priorities, whether high, medium or low, are based on what the stakeholders and the organization value collectively on a mutual sustainable journey. The issues that are mentioned toward the core of this matrix are of high significance to the organization and also to stakeholders.

The significance of material issues is determined by the measure of two parameters: (1) Importance to stakeholders (2) Importance to the business. The stakeholders' engagement at the organisation is a continuous process and there has been no change in the materiality matrix identified by the Company for Reporting:

Materiality Matrix:



Details of the stakeholder engagement and outcomes are provided below:

Stakeholder	Key Sustainability Priority	Sections in which priorities are addressed
Employees	Wellness and well-being, career development, learning forums, grievance channels, and hobby clubs	Redefine Workplace, Repay Society
Customers	Innovative IT solutions, Green IT	Responsible Business
Vendors and Suppliers	Adherence to quality norms, and ethical procurement	Responsible Business, Redefine Workplace
Immediate communities in which we operate	Education, employability trainings, women empowerment and health / sanitation	Repay Society
Investors and Shareholders	Transparency and maintenance of high degree of disclosure levels and focus on good corporate governance	Responsible Business
NGOs, and Advocacy Groups	Community development, capacity development, advocacy on human rights issues such as diversity, safety, advocacy on environment and climate change	Renew Ecosystem, Repay Society

1. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.

   Yes, they have been identified basis the materiality matrix index.

2. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

   Yes, as a socially responsible organization, we stand committed towards welfare of the communities with whom we work and around us. The objective is to bring about holistic development and create a model of development which is scalable, replicable and enhances transparency and accountability through an integrated community development approach. There are various community engagement activities which are undertaken for the welfare of disadvantaged, vulnerable and marginalized stakeholders. Details of various activities are listed under Principle 8.

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

   The organisation's policies also extend to all group companies, suppliers, vendors and NGO partners. The various policies that guide the HR practices are Equal Employment Opportunities and Human Rights, Employee First Philosophy, EFCS at work, Diversity Plan, Corporate Governance Policies, COBEC & ABAC Policies, Whistle Blower Policy, Equal Opportunity Employer and Prevention and Redressal of Sexual Harassment at workplace Policy.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?

   The organization continues to address grievances pertaining to harassment or discrimination through SECURE channel and we investigated and resolved 4 significant cases during financial year ended March 31, 2018. The organization received 37 complaints from the shareholders regarding non-receipt of dividends and share certificates and the same were resolved satisfactorily.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others? Y / N

   Yes, the organisation's Environmental Policy is for all the persons working for and on behalf of the organization including all companies, suppliers, contractors, NGOs and all our stakeholders.

2. Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.? Y / N

   Yes, the organisation has taken initiatives to reduce the ecological footprint through various ways. Also, the organisation is committed to prevent the pollution and minimize the waste generation by adopting Reduce – Reuse – Recycle Philosophy.

   Being a responsible corporate, the organisation through its "Environmental Policy" has made a commitment to conserve the environment by adopting a Go Green approach. Many initiatives were undertaken to reduce

environmental impact arising out of our business activities.

3. Does the Company identify and assess potential environmental risks? Y / N

   Yes, the organisation has identified and assessed all the potential environmental risks with its control measures. And also the effective Environmental Management System is in place which is in line with ISO 14001 Standard's requirements.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   The organisation is not involved in Clean Development Mechanism (CDM) and in any carbon trading. We have not registered any of our projects for carbon trading. However, as a responsible organization, we have set our own goal to reduce carbon emission by 33% in the financial year ended March 31, 2020 over the base year 2011. The organisation also actively participates in CDP and discloses its carbon emissions publically.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.

   Yes, the organisation has been undertaking initiatives on clean technology, energy efficiency, renewable energy etc. Yes, the organisation has taken initiatives to invest in renewable energy and also targeting for 20% of the purchased and / or captive source to be substituted with renewable energy.

6. Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?

   Yes, all the emissions and waste generated are well within the CPCB / SPCB permissible limits.

7. Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   The organisation did not receive any notice from CPCB / SPCB and no such cases are pending as at the end of the Financial Year 2018.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   Many of our senior leaders play key roles in the advisory councils and steering bodies for promoting diversity and sustainability. These include prestigious forums, some of which are captured hereunder

   - **WORLD ECONOMIC FORUM**: The organisation is a strategic partner at the forum, which is the highest level of partnership available for any organization across the globe. The forum has defined industry clusters and communities that partner companies can participate / support throughout the year.
   - **NASSCOM:** The organisation has been a member of National Association of Software Services Companies since 1999. HCL abides by all rules, regulations, guidelines and best practices prescribed by this apex body of all technology and information service provider companies in India.
   - **CII:** The organisation has been a member of the Confederation of India Industries (CII) since 1999. HCL abides by all rules, regulations, guidelines and best practices prescribed by this apex body of all corporations in India.

     Additionally, we are also members of most of the country specific trade bodies and associations like IGCC, IFCCI, AIMA and we also work very closely with DIT, Invest India, Sweden Trade and Invest, Invest in Denmark, Australian Trade and Investment Commission

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Y / N. If yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).

   The organisation believes that it is our responsibility to work for the advancement and improvement of public good. This is an on-going effort and depending on the business and regional needs we align ourselves to the programs and initiatives being planned by the trade bodies and associations. Alternately we also ideate and make programs with these associations as part of our relationship building exercise.

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.

   Through HCL Foundation, the corporate social

responsibility arm of the organisation, various programmes and initiatives are undertaken by the Company to support inclusive and equitable growth. The Foundation aims to alleviate poverty and achieve inclusive community growth and development. Active community engagement ensures optimal long-term investments in education, health, livelihoods and environment, as well as providing disaster response and rehabilitation support.

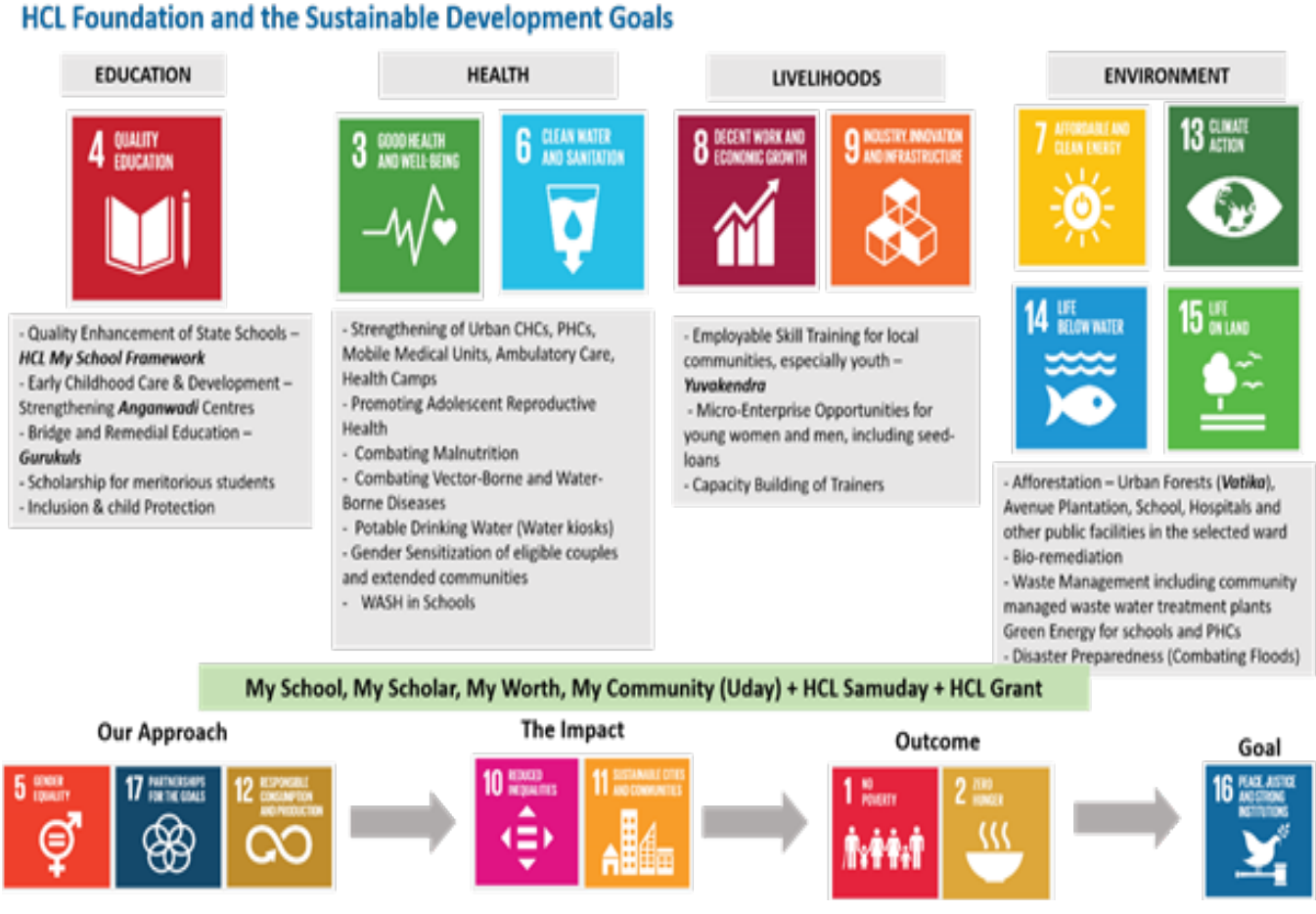
HCL Foundation adopts international development standards to implement CSR programs that bring lasting impacts to the lives of people across urban and rural areas of India. In achieving its goals, the foundation emphasizes: Credibility, Transparency, Accountability, Outreach to the unreached and Sustainability.

HCL Foundation addresses issues that matter through an Integrated Community Development Approach (ICDA). All the programs are aligned to Sustainable Development Goals & National Mission thus contributing to the goal of Nation Building. The Foundation ensures that its efforts are gender transformative, child protective and inclusive across themes. With the relentless support of the employees and partners, HCL Foundation is active in 10 states of India - Delhi NCR, Karnataka, Maharashtra, Tamil Nadu, Telangana, Uttar Pradesh, Bihar, Jharkhand and West Bengal, in India. Employees also engage globally on CSR in US, UK and Europe. For details, please refer www.hclfoundation.com.

Awards and Recognitions:

In the financial year ended March 31, 2018, HCL Foundation has been honored with the 'Best Innovation in CSR' at the 'National Award for Excellence in CSR & Sustainability', by the National CSR Leadership Congress & Award, endorsed by the World CSR Day. The Company was also conferred Award for 'Excellence in Sustainable Social Development' at the Indywood CSR Excellence Awards 2017 at Hyderabad on December 3, 2017. HCL Foundation was awarded for its role in promoting a more sustainable and equitable society. Earlier this year, HCL Foundation received "Best Corporate Foundation Award" by World CSR Day for outstanding contribution to Social Causes and CSR Efforts.

HCL Foundation's CSR programs are well aligned to the Sustainable Development Goals as shown below:



FLAGSHIP PROGRAMS & HIGHLIGHTS 2017-18

HCL Foundation continues to realize its core belief of achieving inclusive socio-economic development through its four flagship programs:

HCL Samuday	HCL Grant	Power of One	Urban Communities

1. **HCL GRANT:**

The HCL Grant 2017-18 was launched in April 2017 for Enabling the Rise of the Fifth Estate - to recognize organizations that are doing path breaking work towards high impact transformation in rural India and identify best practices that are already available and replicate them in other locations, INR 5 Crore per thematic category – Education, Health and Environment. While the HCL Grant application portal remained open, HCL Foundation conducted a series of pan India Symposiums: "CSR for Nation Building: The HCL Grant Pan India Symposiums" in partnership with local partners, for NGOs to better understand the CSR law and the CSR Grants. The symposiums were held in 10 cities. Senior level CSR experts addressed the participants during the symposium. NGOs were also able to clarify various doubts regarding the HCL Grant application process / proposal / methodology, from the representatives of HCL Foundation directly. The symposiums successfully established HCL Grant as a robust brand in the field of rural development, that contributes to Nation Building through institutionalized mechanism on CSR.

Screening Process FY 2017-18: The third edition of HCL Grant received 3449 entries in all three categories from across the country, representing almost all Indian states, as well as union territories. HCL Grant has a robust and multi-level evaluation process that involved intricate screening of all applications. A total of 859 NGO applications, were found eligible for the HCL Grant. Of these, basis a discrete evaluation, 30 NGOs (10 per category) were identified for the 'Level 1 - Field Investigation', wherein, a team of experts was sent to each one of the project locations across the country to evaluate the on-ground work done by these NGOs. Basis the due diligence of reports received from field level investigation and profile evaluation, 30 NGOs (10 - Education; 10 - Environment; 10 - Health) were presented to highly qualified thematic sub juries and 3 NGOs per category were selected as Finalists of HCL Grant 2018. HCL Foundation has partnered with Grant Thornton, a world leading assurance, tax and advisory firm and a team of independent experts for the vigorous selection process.

Grant Event: The edition came to a grand conclusion on March 9, 2018 with the Hon'ble Union Home Minister Shri Rajnath Singh felicitating the winners at a ceremony held at HCL Technologies Hub, Noida. The three NGOs across the categories of Education, Healthcare and Environment won a grant of ₹ 5 crores each. The winning NGOs of HCL Grant 2017-18 across three categories are: Education category - Royal Commonwealth Society for the Blind (Sightsavers India); Health Category - Eleutheros Christian Society (ECS) and Environment Category is Keystone Foundation.

Impact: Operational in 10 states, namely, Uttar Pradesh, Rajasthan, Gujarat, Karnataka, Andhra Pradesh, Odisha, Jharkhand, West Bengal, Bihar and Maharashtra, the HCL Grant supported projects cover 2,450 villages across 17 Districts, reaching out to 6,24,711 beneficiaries. The communities covered under the HCL Grant Projects are some of the most underserved ones, residing in the districts ranking very low on the socio-economic-development indicators.

Thematic Impact 2017-18 - Thematic Highlights:

- **Education:** Through "Be an entrepreneur" program, HCL Foundation is supporting Going to School (Grant Recipient 2016) to provide 21st century entrepreneur skills for adolescents in government secondary, primary and KGBV schools in Bihar. Through project "Aflatoun – Social and Financial education", HCL Foundation is supporting MelJol (Grant Recipient 2017) to provide education to the young generation on social and financial aspects of life, in Maharashtral, Uttar Pradeshi & Jharkhand.
- **Environment:** Through Project "iCARE – Informed Collaborative Action for Resilience of ecosystems", HCL Foundation is supporting Foundation for Ecological Security (Grant Recipient 2017) for the conservation of natural resources through common land regime in Rajasthan, Gujarat, Karnataka, Andhra Pradesh and Odisha.
- **Health:** Through the project "Creating Community-based Safety-net - For Better Health and Nutrition outcomes for children, adolescents and women of West Bengal" HCL Foundation is supporting Child in Need Institute (Grant Recipient 2017) towards maternal, adolescent, child health and nutrition.

2. **HCL SAMUDAY:**

Developing source code of a Sustainable, Scalable, and Replicable model of Rural Development

HCL Samuday, established in 2014, is a flagship program of HCL Foundation to develop a sustainable, scalable, and

replicable model – a source code for economic and social development of rural areas. This is at present being done by working in 765 villages from 164 Gram Panchayats of Uttar Pradesh. across six sectors – Agriculture; Education; Health; Infrastructure; Livelihood; and Water, Sanitation & Hygiene (WASH), in partnership with state government, village communities, NGOs, knowledge institutions and allied institutions. The project envisions to identify and also formulate suitable development models, for uplifting rural India holistically, through optimal interventions in selected villages across the above mentioned six sectors.

At present, the project is being implemented in 3 blocks of Hardoi, one of the 250 most backward districts of the country, currently reaching out to more than 90,000 HHs roughly covering a population of 6 lakhs with an annual outlay of over ₹100 crores. Key partners other than the state government and district administration include Johns Hopkins University; National Agro Foundation; NABARD; Public Health Foundation of India; The Energy & Resource Institute; Schneider Electric India Foundation; Shiv Nadar Foundation, etc.

Key Themes, Interventions, and Impacts

HCL Samuday holistically intervenes across six verticals of Rural Development.

I. **Agriculture:** HCL Samuday aims to increase the farm income of marginal farmers by 25%. This is being done by infusing farmers with knowledge about scientific farming practices that are developed step-by-step through training programs at every cropping stage. Along with introduction of modern farming equipment and institutionalization of farmer clubs to make agriculture less burdensome and more market-linked, novel concepts like Nutrition Garden are propagated to help marginal families increase their nutrition intake and further save their household income. **In FY 2017-18, a**round 10,000 farmers have profited from various interventions in the agriculture sector and also, more than 1,500 families have adopted Nutrition Garden.

II. **Education:** HCL Samuday intends to ensure that every child has access to quality education in an effective learning environment, and all villagers have functional literacy through various programs such as: **Shiksha Initiative**, an ICT-based intervention which showed increase in enrolment and attendance rates of students resulting in augmentation of their analytical skills and learning capacities; **Happy School** intervention takes care of availability of the necessary infrastructure and its optimal utilization for making sure that an effective learning environment exists. **Shiksha+** intervention is efficiently taking on the battle for eradicating illiteracy. **In FY 2017-18,** 10,000+ children of class 1 & 2 in over 200 schools getting ICT-based classroom teaching; Around 4000 women learning to become literate at 300 Adult Literacy Centers being run with the help of over 200 trained instructors.

III. **Health:** It is HCL Samuday' s earnest desire to reduce Infant Mortality and Maternal Mortality in the region, and alongside make Primary Healthcare services accessible to all in the community. Primary focus in this sector rests on three themes: (1) building the capacity of health workers to help them carry out their daily responsibilities; (2) improving infrastructure of healthcare facilities to provide quality available and accessible to all; and (3) increasing community engagement for better healthcare practices. **In FY 2017-18,** 3,500+ pregnant women have benefitted from the infrastructural development of health centers including introduction of facilities like Ultrasonography, and High-Risk Pregnancy Management Unit, diagnostic tests conducted through Mobile Clinics, etc.; 300+ Severely Acute Malnourished (SAM) children managed through community based nutrition camps.

IV. **Infrastructure:** In line with HCL Samuday' s approach of holistic development, it is being attempted to bring electricity to un-electrified habitations; and ensure a non-disruptive supply of electricity in health centers and schools. The former is being done by setting up solar mini-grids whose sustainable operation and maintenance is guaranteed by formulating Solar User Groups (comprising of community members) and the latter task of facility electrification is being accomplished by roof-top solar installation. **In FY 2017-18,** 125 schools equipped with Smart Solar Systems; 4 Health centers backed by 24 hrs. supply of non-disruptive electricity through Solar Rooftop systems; 1 solar-mini grid started operations electrifying more than 150 households.

V. **Livelihood:** HCL Samuday is trying to ensure that all marginal households have an alternate source of income through (1) strengthening existing supply chain of agri-allied income generating activities – Dairy, Poultry, Goat farming, Fishery, Vermicomposting, etc., (2) strengthening women institutions: mobilizing, capacity building and federating community institutions and then linking them with financial institutions & economic activities, (3) establishing individual and group based enterprises at local level for sustained employment, supported by financial and market resources, (4) skill upgradation of youth to ensure sustained wage or self-employment. **In FY 2017-18, a**round 200 Self-

Help Groups facilitated for financial linkages & 1300 women financially empowered; 750 Youth skilled in various trades under vocational training; 107 women entrepreneurs are selling handicraft products globally and 14 beneficiaries trained are running General Merchant Shops and E-Rickshaws.

VI. **Water, Sanitation, and Hygiene:** Addressing the basic human needs of safe drinking water, sanitation and good hygiene, HCL Samuday aims to ensure completely clean villages by focusing on behavior change and infrastructure development. Working on the human emotional facets of disgust, pride, need, relevance, and ease, the Community-Led Total Sanitation strategy has been adopted for motivating households to build and use toilets. Alongside, an Open Defecation Elimination Plan for the villages is developed and executed in close coordination with local government officials. For making clean drinking water available and accessible to all, wherever possible, chlorination of functional hand pumps is carried out. This is complemented by development of piped drinking water supply system by facilitating construction of Over-Head Tanks in collaboration with the local community. 30 villages made Open Defecation Free; 12,000 individuals impacted by behavioral change activities to practice safe sanitation.

3. POWER OF ONE:

Engaging the Employees in Community Development and Nation Building

Power of One is a powerful employee volunteering and payroll giving program as well as the cornerstone of HCL Foundation's work in urban neighborhoods. Power of One is based on the belief that all we need is just one rupee per day or one British Pound or US Dollar per week and one hour, one day, one month or one year of community service from the employees to make a significant difference in society. It is the contribution by each individual at the organisation that powers "Power of One". More than anything it is a platform created by HCL Foundation to further their contribution to nation building as proud HCLites.

Approach: Power of One consists of two key components:

1. ***Daily Voluntary Payroll Giving*** – Employees are encouraged to contribute one rupee every day in India and one US Dollar per week in US. These funds are directed to key initiatives described in more detail below. These funds are over and above the CSR spends of HCL Foundation and mapped separately. Under the 'Power of One' program, 37,276 employees in India and 1,831 employees in the US, on an average, continued to donate towards the social and economic upliftment of vulnerable communities as of March 2018.

   MY SCHOLAR PROGRAM: My Scholar Programme under the Power of One initiative is an inclusive step towards ensuring sustainable career development for students from weaker economic backgrounds. At present, the program reaches out to 171 such young and talented academic scholars and 21 sports scholars pan India who have been shortlisted after a rigorous screening process. These children are currently enrolled in class 10 or above and are all high achievers in their respective fields of study. While some aspire to become future engineers, doctors, chefs and entrepreneurs, some wish to serve the nation by becoming academicians, air force pilots and administrators. The financial component of the scholarship is completely supported through the Power of One contribution. The scholarship also has a mentoring component under which every scholar has been matched with an employee who will mentor these scholars.

2. ***Community Championship*** – Depending on their time, interests and expertise, HCL Foundation supports employees to volunteer on community service projects.

   POWER OF ONE CARNIVAL: On January 31, 2018 HCL Foundation organised the Power of One Carnival in Noida, a joyous celebration of the spirit of giving of the employees who contribute ₹1 everyday towards the corpus that is used for awarding scholarships to the meritorious students of the support staff. It also felicitated the employees who diligently volunteer in HCL Foundation's programs, through a Rewards and Recognition (R&R) Ceremony. The Carnival was inaugurated by members of senior management. It marked the beginning of a day full of celebration for HCL Foundation activities. The Carnival was also a platform for HCL Foundation's projects to showcase their work through the medium of posters, exhibits, working models, A / V, etc. The Power of One Carnival gave all NGOs an octornorm stall each; a display corner for the students for their science models, art and craft exhibits of high quality for My School students and a talent Corner where employees and selected students from could display their talent in theatre, dancing, singing or any other skill. Over 50 NGO stalls from HCL Foundation Project Locations (HCL Samuday, HCL Grant, My Community, My Worth, My School) were put up.

4. HCL UDAY:

HCL Foundation's Urban CSR program "HCL Uday" is an Integrated Community Development program for underprivileged communities, including migrant workers

and displaced people living in urban slums. It works towards equitable and sustainable development of the communities living below poverty line in the Urban areas. HCL Uday addresses vital issues prevalent in urban areas like access to education, preventive health, sustainable livelihood opportunities, improved water, sanitation and hygiene through campaigns for positive urban transformation. We continued to reach out to the urban poor, migratory and displaced communities through various initiatives in the areas of Education, Health, Environment and Livelihood. Currently, HCL Foundation is working in 11 cities across India through Projects My Community, My School and My Worth.

In FY 2017-18, the Foundation has benefited more than 1,76,138 people from in 16 slums clusters in 11 cities of India through the program.

a) **Project My Community** – My Community is an umbrella term employed by HCL Foundation under which all interventions in urban neighbourhoods are grouped together. So far, the programme has made its presence felt in NCR (Noida, Gurgaon and Delhi), Chennai, Madurai, Kolkata and Pune. In FY 2017-18, the Foundation expanded its impact to Vijaywada and Nagpur. Through this unique model, HCL Foundation brings multiple implementation partners (specialists) at one location, and address diverse social issues for the same (vulnerable) population. The model also involves improving access of existing government service delivery points, by entering in to strategic MoUs with relevant government departments. The model is designed in a way to ensure that the target population experiences holistic development, and is educated, healthy, adequately skilled, lives in a healthy environment.

   i. **Education through Gurukuls:** Gurukuls are physical centers or outreach community education activities that create an enabling environment for mainstream education for children, youth, women and men, living in urban slums. One of the key objectives is to support the education of children who may be at risk of never attending or discontinuing schooling due to social-economic circumstances. In FY17-18, 82,753 people directly benefited through various education initiatives.

      'Sports for Change': HCL Foundation recognizes sports as an important and crucial pillar for education and, through this platform, it has aimed to give the right exposure and opportunity to the children. Through "Sports for Change", a key vertical under its Urban Community Development Program, we support and encourage sports skills and nurture talent through participation among the students of the organisation supported My School and My Community (Gurukuls and Yuvakendra) projects. In line with this belief, the Foundation organized its First National Sports Meet in Noida on November 18. It was flagged off by Shri Brajesh Narain Singh, District Magistrate of Gautam Budh Nagar, Uttar Pradesh. Around 350 participants competed in the grand finals to showcase their sporting skills. These participants have been selected after state qualifiers in Chennai, Madurai, Hyderabad, Lucknow and Noida. Track events (100m, 200m, 400m & 1500m, Relay race (100X4), Kho-Kho, Kabaddi, Football, Volleyball, Badminton, Chess & Carom) were conducted. More than 250 Volunteers coached and mentored the children in various sports.

   ii. **Equipping Youth with Employability Skills Through Yuvakendras**: HCL Foundation's Yuvakendras in urban areas and centers are community hubs that impart short-term skill building training to youth who have not been able to complete mainstream education and are from economically challenged backgrounds. These centers train them in core skills such as computer skills, business process outsourcing, IT skills, retail services, and customer relations. Eligible candidates are supported to secure jobs through special recruitment drives and career fairs. These also target women from vulnerable communities and focus on their career development training, digital literacy, and essential life skills including personality development, assessing strengths and weaknesses, goal setting, effective communication and motivation. In FY17-18, 2,702 young people received skill enhancement training in Yuvakendras.

   iii. **Universal Access to Health Care for People Living in Urban Slums**: HCL Foundation partners with specialised organisations and government to ensure access to preventive and curative healthcare services across all age groups, for people living in urban slums. There is specific focus on maternal and infant health, immunisation, combatting malnutrition and adolescent health. Under this pillar, HCL Foundation also caters to the needs of geriatric population. In My Community Project, access to potable water, sanitation and hygiene is also covered under 'healthcare' as the impact is measured by the drop in number of those affected by related diseases. Water, Sanitation and Hygiene Campaigns – WASH: Promoting WASH campaign has been a priority for HCL Foundation to combat

the challenges of access to quality sources of water and elimination of open defecation. The goal is to improve the health and welfare by: 1. Improving access to clean drinking water via reverse osmosis water purification systems in schools and communities; Initiating rainwater harvesting; 2. Planting trees; Improving sanitation and toilet facilities; 3. Supporting appropriate behaviour changes. In FY 2017-18, 29,455 people directly benefited through monthly health camps, weekly check–ups, community healthcare programs, sanitation and cleanliness.

iv. **Environment**: In cities, the organisation has business operations in, the HCL Foundation has a mandate to work with people from all age groups to help them understand the importance of the conservation of ecosystem and guide them to take positive action. Through mega plantation and cleanliness drives, waste management initiatives and behavioural change towards adopting clean energy solutions, HCL Foundation makes an attempt to contribute towards this larger cause. In FY 2017-18, the employees and students in HCL Gurukuls made communities greener and cleaner through tree plantation drives and clean-up drives. 17,000 trees were planted this year.

Humanitarian Action: In times of disasters, Foundation coordinates resources to provide humanitarian aid to employees and communities in need, and supports 'building back.' In FY 2017-18, we worked with four organizations - a. Partnered with Save the Children and supported affected families and children in Assam through distribution of hygiene kits, shelter kits, child-friendly spaces and set up and play kit distribution, livelihood kit, education kits, utensils and food items. b. In partnership with Caritas India, HCL Foundation supported most vulnerable persons with health services and households with WASH interventions in the flood affected districts of Bihar. c. Through Kaziranga Women's Society, HCL Foundation helped provide relief kits and medicines to families in Assam. d. Partnered with Humanitarian Aid International (HAI) to provide relief support and helped build a response and rehabilitation mechanism to flood-affected families in Assam & Bihar. Support included distribution of Hygiene Kits, food packets, repairing of hand pumps, Post flood agriculture support and setting up kitchen gardens. In FY 2017-18, a total of 26,000 people benefited through various humanitarian actions.

b) **Project My School -** Under the ambit of Right to Education, it is one of the most unique CSR intervention that brings together HCL volunteers, teachers, students, neighboring community and other stakeholders with a goal to achieve quality education. The objective of this partnership is to improve the learning outcomes of the students and open up avenues for extracurricular participation. This is achieved through interventions that broadly fall under the following domains - strengthening the physical infrastructure and facilities; making the classroom processes more dynamic and interactive; strengthening the leadership and management of school through capacity building initiatives and ensuring effective engagement with the community. This project uses a highly specialized baseline tool that leads to a strategic school specific development plan that guides the interventions in each school. HCL Foundation continued working with 100 government schools in the cities of Noida, Chennai, Bangalore, Kolkata, Pune, Madurai and Lucknow, to bring about holistic development and modernization of these schools. In FY 2017-18, 37,646 Students reached through Leadership Skill Training (Child Participation), Life skill Training for Adolescents, Exposure Visits, Awareness Rallies, Celebrations, Sports Training, Self-Defense and Child Protection sessions.

c) **Project My Worth** - My Worth Program aims to enable students towards self-reliance by empowering them through a Gender Transformative Approach and a self-efficacy model. The structured weekly sessions focus on dissemination of information on a range of aspects such as digital literacy, career counselling, legal and rights concepts, self-defence and coping skills, sports and theatre for their holistic development. The sessions enabled the girls to attain confidence, improved mobility and their access to various services as a result of exposure visits to police stations, banks and hospitals. The intervention also covers parents, and brothers of adolescent girls. In order to alter the prevalent societal norms around gender, the intervention needs to cover all possible stakeholders within the society, and positively affect their perspectives around gender. In FY 2017-18, 3,472 students were covered through My Worth sessions,

- **COMMUNITY INITIATIVES IN GEO LOCATIONS**

We also reached out to our local communities in different geographies through various initiatives:

HCL USA: HCL America Inc. supported the Salvation Army in its disaster relief efforts following recent Hurricanes (Harvey Irma and Maria). Apart from deploying mobile kitchens, support for

staging emergency supplies, despatching disaster leadership teams, HCL supported the Salvation Army to provide water and food to victims of hurricanes and earthquake, with the support of employees and customers. Through its partnership with SOS Children's Villages, the organisation is supporting vulnerable children and families in need of medical and nutrition services, educational programs (STEM programming) and emergency relief efforts. Through Uniting NC's Code the Dream Program, the organisation is supporting free coding education classes for youth from socially and economically compromised backgrounds.

HCL UK: HCL Great Britain Ltd has been working with The Prince's Trust to help disadvantaged young people to get trained in technology, life skills and career skills which helps them with better livelihood opportunities. The organisation is currently supporting 110 young people through this initiative. The programmes give vulnerable young people the practical and financial support needed to stabilise their lives, helping develop self-esteem and skills for work. In FY 17-18, the organisation supported Prince's Trust through two Get Started Programmes in Manchester and Liverpool It's a one-of-a-kind learning program, aimed at providing mobile application development and digital learning skills to socio-economically vulnerable young adults in UK, to make them employable and job-ready through a number of skills development and training opportunities. HCL UK also partnered with Manchester United and Prince's Trust involving customers to participate in a football match in June 2017 in Manchester Old Trafford Stadium. The day-long event also had mentorship opportunities to Princes Trust identified kids and opportunities to donate to Princes Trust through this event.

South Africa: The organisation has been working to bridge the ICT divide across disadvantaged communities in South Africa, by investing in community IT Centres, donating computers, enabling opportunities to become economically independent, providing technology and training to homeless, underprivileged and people with disabilities and encouraging job creation for the youth. In FY 2017-18, HCL signed an MoU with the University of Johannesburg for supporting a 64-seater fully equipped Computer Lab. University of Johannesburg is a University of prime importance, not only in Africa but also in the world. Comparatively a young university, UJ has made a headway in promoting a diverse, inclusive and transformative learning environment for students from all over the world. The organisation's financial partnership with UJ aims to promote a high quality technology enabled environment for students such that they are present and future ready. The idea is ensure that the education offered at UJ is holistic, futuristic and helps the world come together, such that we have growth and development achieved for all.

1. Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organization?

   All the programmes / projects are undertaken through the organisation's own foundation in collaboration with the employees, customers and external NGOs. For details, please refer www.hclfoundation.com

2. Have you done any impact assessment of your initiative?

   Yes. HCL Foundation has put in place various indicators for community development under different focus areas and has developed various tools and monitoring mechanisms to ensure the achievement of these indicators. There is heavy focus on stakeholders' involvement and consultation at every level. Funds Utilization Certificates and Audit Reports are the primary instruments used to monitor that the projects undertaken are within the defined categories of expenditure. The quarterly reports and half-yearly reports furnished by our implementing partners are studied carefully and verified through field visits by our field and programme officers. Case studies are collected for all the projects and informal feedback sessions are held with our beneficiaries to understand the satisfaction levels. Members of the senior management of the Company undertake surprise visits to our community projects to understand the overall experience of change. All these exercises help HCL Foundation to understand gaps in the implementation of our projects and to bridge the gaps timely.

   The periodic field audits are supplemented by the regular interaction between the volunteers and the community members.

   In addition, HCL Foundation engaged an external evaluation company to conduct an appreciative enquiry of HCL foundation's urban community development programs. the objectives were: to

appreciatively enquire about all interventions under the urban community development programme and to understand the intervention approaches and processes undertaken by the partner NGOs in carrying them out, and evaluate the impact generated. the research process consisted of primary and secondary research involving interviews with HCL Foundation, senior management, project staff, partner NGOs: workshops, nodal officer in charge of implementation, external stakeholders and beneficiaries, and evaluation of project documents of HCL Foundation and partner NGOs. The findings were presented to HCL Foundation for making necessary changes as may be needed for the next financial year.

3. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

   Please refer to Annexure 4 of the Directors Report which forms part of this Annual Report.

4. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   HCL Foundation focuses on sustainability of the projects and communities in the long run. This includes strategies to improve community ownership, empowerment of local community i.e. creating local leaders through capacity building, linkage with the available systems, starting a chain reaction, convergence, knowledge sharing, etc. Action plans to include awareness, exposures, social audits by the community, creating leaders, impact creative groups, the organisation's linkages, Government linkages, build a road map with clear impact, sharing results with the Government, target-based actions, creating manuals for various sectors, holistic action plan, the organisation's volunteer engagement, etc are also some of the interventions adopted.

Principle 9: Businesses should support inclusive growth and equitable development

1. What percentage of customer complaints / consumer cases are pending as on the end of financial year?

   We did not record any significant complaints regarding breach of customer privacy, loss of customer data and non-compliance with laws and regulations concerning the usage of our products and services.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information).

   Not Applicable

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

   We were not subjected to any significant legal actions for anti-competitive behavior, anti-trust, monopoly practices or non-compliance with laws and regulations in the financial year ended March 31, 2018. The internal risk and audit team provides key management leaders with risk insights and the various departments proactively implement actions to comply with COBEC or local regulations. We did not have any significant corruption or bribery cases registered during the financial year ended March 31, 2018.

4. Did your Company carry out any consumer survey / consumer satisfaction trends?

   Yes, the organisation places huge focus on the way we run the business, handle customer interactions and deliver services. To be successful at what we do, we believe that it is extremely important to have a deep understanding of our customers' business drivers and the markets they operate in. Our Customer Advisory Council convenes bi-annually to provide feedback and recommendations on our key strategic issues and solutions identified by us. This Council has been honored with the Forrester Groundswell Award in the 'Business-to-Business Embracing' category.

   The annual survey on customer satisfaction is carried out by our third party agency every year. This survey spans across all business lines of the organisation typically covering more than 3,000 customer client individuals. In this year, we were able to sustain high levels of satisfaction of customers against industry benchmark. This is also evidenced in the facts that the organisation has been continuously achieving high level of response rate for the past five years and 80% of our top accounts have been classified under customer delight category.

ANNEXURE

Code of Business Ethics and Conduct

Policy | Process | History

Expand All | Collapse

Objective

At HCL Technologies (hereafter referred as the "Company" or "HCLT") we strongly believe in the principle of Trust through Transparency and Accountability. This forms the foundation of the HCLT Code of Business Ethics and Conduct (hereafter known as the "COBEC" or the "Code").

Scope

All policies, practices, processes, business dealings at HCLT are governed by the COBEC. The COBEC covers all directors, employees, third party vendors, consultants and customers across the world, whether operating out of any HCLT location or otherwise.

All relationships - with directors, employees, customers, partners, stakeholders, suppliers etc. need to be built on the foundations of trust and transparency. This is what we believe in and practice every day at HCLT.

The Code further acts as a guide to all HCLT directors, employees and various stakeholders on the values, ethics and business principles expected of them in their personal and professional conduct. HCLT takes cognizance of the fact that it and/ or its subsidiaries are growing rapidly across geographies and this growth must at all times be aligned with the spirit of the COBEC and the ethos, brand and reputation of HCLT.

Equal Employment Opportunity Policy-India

Policy | Process | History

Expand All | Collapse All

Objective

To treat employees without any discrimination with regard to their race, religion, sex, color, age, national origin, pregnancy, sexual orientation and physical ability

Applicability

This policy governs all areas of employment at HCL Technologies Ltd and its subsidiaries ("HCL") including recruiting, hiring, training, promotions, compensation, benefits, discipline, and terminations.

Policy Details

- HCL will ensure adherence to the laws of the land with regard to employment norms, including freedom of association, as applicable and will not indulge in practices such as employing child labour (not less than 18 years), bonded labour etc.
- HCL is an Equal Opportunity Employer and makes the best endeavors to treat the candidates and employees without regard to their race, religion, sex, color, age, National origin, pregnancy, sexual orientation and physical disability
- This includes equal opportunity in employment, upgrading, promotion or transfer, recruitment or recruitment advertising, layoff or termination, wages or other compensation, selection for training, including apprenticeship, preapprenticeship, and/ or on the job training
- Ensures and maintain a work environment free of harassment and intimidation and coercion at all sites and in all facilities at which employees are assigned to work. Any employee who violates this policy will be subjected to disciplinary procedure as per Disciplinary Policy.

QHSE

HCL

ENVIRONMENTAL POLICY



As a responsible corporate, at HCL Technologies, we believe that we have got accountability to the future – also an imperative role to play in addressing global challenges such as climate change and Environmental Sustainablity

HCL Technologies commits itself to confronting these challenges by assuming a leadership role in fostering a sustainable environment and responding appropriately to the risk posed by Environmental degradation.

HCL Technologies will strive to achieve Excellence in Environmental Management in its area of operations by:

- Integrating Environmental considerations into our all areas of operations, taking into account our environmental risks, responsibilities and organizational capability.
- Meeting all applicable Environmental laws of the land and other requirements applicable to the organization
- Reducing our Ecological foot print through optimized utilization oof natural resources including land, water and by ensuring the responsible use of energy throughout our operations including conserving energy, improving energy efficiency, and giving preference to renewable over non-renewable energy wherever feasible.



As an 'Employee First' organization, at HCL Technologies, we believe that Human Capital is our greatest strength being in the business of IT services, business solutions and outsourcing and in accordance with that – Health, Safety and Wellbeing of our Employees and other Stakeholders are essential element of a successful and sustainable business.

HCL Technologies is committed to achieve Occupational Health & Safety excellence within areas of our operations by;

- Ensuring the Health and Safety of its Employees, Contractors, Visitors and other stakeholders affected by its operations
- Meeting all applicable Occupational Health & Safety Statutory requirements of the land and other requirements applicable to the organization
- Taking suitable measures to prevent Occupational injuries and illness, and to provide a safe and healthy working environment to its Employees and other affected by its operations

Anti Bribery and Anti Corruption Policy

Policy | History

Expand All | Collapse All

Objective

HCL Technologies Limited ("HCL" or the "Company") is committed to the prevention, deterrence and detection of fraud, bribery and all other corrupt business practices. It is the policy of HCL to conduct all of its business activities with honesty, integrity, and the highest possible ethical standards and vigorously enforce its business practice, wherever it operates throughout the world, of not engaging in bribery or corruption.

This policy is also applicable to all employees active on the rolls of C2SIS and Geometric.

Scope

This anti-bribery and anti-corruption policy (this "Policy") applies to all individuals worldwide working for all affiliates and subsidiaries of HCL at all levels and grades, including directors, senior executives, officers, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, casual workers, volunteers, interns, agents, or any other person associated with us, (collectively referred to as "You" or "you" in this Policy).

In this Policy, "Third Party (ies)" means any individual or organization you come into contact with during the course of your work for us and includes actual and potential clients, suppliers, business contacts, consultants, intermediaries, representatives, subcontractors, agents, advisers, joint ventures, and government & public bodies (including their advisers, representatives and officials, politicians and political parties).

Prevention and Redressal of Sexual Harassment at Workplace Policy.

Policy | FAQ(s) | Form(s) | History

Expand All | Collapse All

Objective

A Policy for Prevention and Redressal of Sexual Harassment at the Workplace

Applicability

This policy applies to all employees of HCL Technologies Limited, its group companies and joint ventures operating out of India ("HCLT") like regular, temporary, ad hoc, daily wagers, contractual staff, vendors, clients, consultants, trainees, probationers, apprentices, contract labour and also all visitors to HCLT. Any complaints about harassment shall be treated under this policy.

This policy is also applicable to all employees active on the rolls of C2SIS.

Policy Details

Workplace

- For the purposes of this policy, the expression 'workplace' or 'at work' is not confined or limited to the actual working place of the employees in the sense of the physical space in which paid work may be performed as per the prescribed duty hours. Workplace covers private sector organization, undertaking, enterprise, establishment, unit carrying on commercial, industrial, professional, vocational, educational, etc. including production, supply, distribution or service and also includes any place visited by the employee arising out of or during course of employment, including transportation provided by employer.
- 'Workplace' or 'at work' would also include inter alia office parties, work-related social functions, phone calls, sending messages through cellular phones or email from home even on an off day, or other contacts outside office hours and work-related interactions. Thus, it is not the physical workplace that would govern, but the access that a perpetrator has to the recipient of sexually harassing behavior by virtue of a job situation or relation that is relevant.

Whistleblower Policy

Policy | Process | History

Expand All | Collapse All

Objective

The principles of Trust through Transparency and Accountability are at the core of HCLT's (hereinafter known as "the Company") existence. To ensure strict compliance with ethical and legal standards across the company, the present policy has been created.

The objectives of this Policy are:

- To create a window for any person who observes an unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct or ethics policy (hereinafter " **Unethical and Improper Practices**") either organizationally or individually to be able to raise it;
- To encourage timely, safe and open reporting of alleged wrong doings or suspected impropriety
- To ensure consistent and timely institutional response
- To ensure appropriate reporting of whistleblower investigations and
- To encourage ethical and lawful conduct
- To provide adequate safeguards against victimization of persons.

Procurement Policy

Policy | History

Expand All | Collapse All

Objective

This procurement policy ("Policy") sets out the principle guidelines to be used by HCL Technologies Limited & its subsidiaries worldwide ("HCL") for the purposes of procuring requisite goods and services from vendors across the globe.

It is our endeavor to ensure that we meet global standards & follow best practices in business engagements with our vendors. HCL is committed to partner with vendors who not only observe due compliance of applicable laws and regulations but are also diligent about their role in pursuing all round best business practices including environmental conservation.

Policy Details

Policy Guidelines

At HCL, vendors are selected basis comprehensive & robust evaluation process. The key criteria for selecting vendors include their economic stability, production values, proven track record & their commitment to adhere to strict delivery timings. In addition, we also comprehensively evaluate factors like environmental awareness, company stability, technological development ability, fair and transparent information release etc.

- **Fair and Equitable Dealings**
- HCL practices Equal Opportunity Policy which discourages discrimination of any vendor on the basis of gender, nationality, ethnicity, religion, disability etc. HCL proactively encourages participation of diverse vendors in our procurement activities.

Social Media Policy

Policy | History

Expand All | Collapse All

Objective

This policy provides guidance for participation in online social networking sites, interactive forums, blogs, wikis, chat rooms, podcasts, video aggregation platforms or any other kind of social media platforms ,whether as individuals, or on behalf of HCL Technologies, as an identified corporate, business line or marketing campaign related social media presence . It is expected from all employees who are engaging in social media whether on behalf of HCL / HCL Technologies or in their personal capacity, to understand and to follow these guidelines, as long as their action involves HCL / HCL Technologies name or HCL / HCL Technologies Information (as defined later) in any manner. Failure to do so can put the future participation at risk. This policy will continually evolve as new technologies and social media tools emerge and shall continue to apply even if you cease to be an employee at HCL.

Scope

HCL takes pride in its core values of Ideapreneurship and how our 117,781+ Ideapreneurs take the Relationship Beyond the Contract (RBTC) through Value Centricity, Trust and Transparency. One of the key tenets of RBTC is to take the same philosophy to the online audience and build the same identity for which HCL is known . Hence, a framework needs to be put in place for us to operate in, so as to ensure uniformity in participation. Social media is distinguished by its sense of community building and engagement, which is in sync with HCL's culture of transparency and openness. Social media also empowers employees to connect directly with the Company stakeholders underlining our philosophy of Ideapreneurship and RBTC.

Standalone
Ind AS
Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of HCL Technologies Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of HCL Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Ind AS 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 Ind AS 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 of the standalone Ind AS financial statements 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 standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 standalone Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS 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 March 31, 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone Ind AS

financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164(2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) 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 standalone Ind AS financial statements;

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 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 / E300005

per Nilangshu Katriar
Partner
Membership Number: 58814

Place of Signature: Gurgaon
Date: May 2, 2018

Annexure 1 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 a 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 conducted during the financial year.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment / fixed assets are held in the name of the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the financial year and no material discrepancies were noticed on such 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, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) 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, provisions of section 186 of the Companies Act, 2013 in respect of loans given have been complied with by the Company. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 of the Companies Act, 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(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, service tax, duty of custom, value added tax, goods and service tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been slight delay in few cases. The provisions relating to duty of excise is not applicable to the Company.

(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, goods and service tax, duty of custom, value added tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except for service tax as below:

Name of the Statute	Nature of Dues	Amount (in Crores of ₹)	Period to which the amount relates	Due Date	Date of Payment
Finance Act 1994, read with Service Tax Rules, 1994*	Service tax	5.21	2010-11 to 2014-15	06-Feb-17	Not Paid

** As informed by Management, the Company has filed a writ petition before the Bombay High Court on 19 March 2018 which is not yet accepted by the high court. The writ petition has been filed because time limit to file appeal with the CESTAT has been lapsed.*

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

Name of the Statute	Nature of Dues	Amount (in Crores of ₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2.10	2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	19.89	2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	2.46	2010-11	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	68.80	2009-10	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	63.65	2008-09	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	0.68	2008-09	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	230.82	2006-07	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	205.00	2005-06	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	7.17	2004-05	Delhi High Court
Income Tax Act, 1961	Income Tax	18.10	2004-05	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	1.18	2004-05	Income Tax Appellate Tribunal

Name of the Statute	Nature of Dues	Amount (in Crores of ₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1.74	2004-05	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	15.95	2004-05	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	6.97	2004-05	Supreme Court
Income Tax Act, 1961	Income Tax	0.55	2004-05	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	51.27	2003-04	Supreme Court
Income Tax Act, 1961	Income Tax	8.94	2003-04	Delhi High Court
Income Tax Act, 1961	Income Tax	2.11	2003-04	Delhi High Court
Income Tax Act, 1961	Income Tax	4.22	2003-04	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	2.34	2003-04	Supreme Court
Income Tax Act, 1961	Income Tax	7.28	2003-04	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	25.33	2002-03	Delhi High Court
Income Tax Act, 1961	Income Tax	3.02	2002-03	Supreme Court
Income Tax Act, 1961	Income Tax	13.02	2002-03	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	0.20	2002-03	Delhi High Court
Income Tax Act, 1961	Income Tax	8.12	2001-02	Supreme Court
Income Tax Act, 1961	Income Tax	0.34	2000-01	Delhi High Court
Income Tax Act, 1961	Income Tax	0.44	2000-01	Supreme Court
Income Tax Act, 1961 #	Income Tax	1.40	2010-11	Income Tax Appellate Tribunal
Income Tax Act, 1961 #	Income Tax	19.54	2009-10	Income Tax Appellate Tribunal
Income Tax Act, 1961 #	Income Tax	0.30	2008-09	Income Tax Appellate Tribunal
Income Tax Act, 1961 #	Income Tax	0.46	2007-08	Income Tax Appellate Tribunal
Income Tax Act, 1961 #	Income Tax	13.11	2005-06	Income Tax Appellate Tribunal
Income Tax Act, 1961 #	Income Tax	0.08	2004-05	Income Tax Appellate Tribunal
Income Tax Act, 1961 *	Income Tax	12.15	2011-12	Income Tax Appellate Tribunal
Income Tax Act, 1961 *	Income Tax	4.67	2010-11	Income Tax Appellate Tribunal
Income Tax Act, 1961 *	Income Tax	19.52	2009-10	Income Tax Appellate Tribunal
Income Tax Act,1961 *	Income Tax	30.24	2008-09	Income Tax Appellate Tribunal
Income Tax Act, 1961 *	Income Tax	6.62	2007-08	Income Tax Appellate Tribunal
Income Tax Act, 1961 *	Income Tax	19.62	2006-07	Income Tax Appellate Tribunal
Income Tax Act, 1961 *	Income Tax	5.73	2012-13	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	3.63	2013-14	Commissioner (Appeals)
Customs Act, 1962	Custom Duty	0.27	2006-07	Common Adjudicating Authority (Directorate of Revenue Intelligence)
Customs Act, 1962 *	Custom Duty	6.85	2007-08	Office of Asstt. Commissioner of Customs
Customs Act, 1962 *	Custom Duty	0.11	2009-14	Office of Asstt. Commissioner of Customs
Customs Act, 1962 *	Custom Duty	0.25	2009-14	Office of Asstt. Commissioner of Customs
Customs Act, 1962 *	Custom Duty	0.01	1999-00	Office of Asstt. Commissioner of Customs
Customs Act, 1962 *	Custom Duty	1.06	1998-99	Office of Asstt. Commissioner of Customs
Customs Act, 1962 *	Custom Duty	6.52	1997-98	Office of Asstt. Commissioner of Customs
Customs Act, 1962 *	Custom Duty	2.30	1997-99	Office of Asstt. Commissioner of Customs
Customs Act, 1962 *	Custom Duty	0.07	1997-98	Office of Asstt. Commissioner of Customs
Central Excise Act 1944	Excise Duty	2.99	2011-12	Commissioner Appeals, Central Excise, Chennai
Finance Act 1994, read with Service Tax Rules, 1994	Service Tax	2.55	2013-15	CESTAT, Allahabad
Finance Act 1994, read with Service Tax Rules, 1994	Service Tax	6.80	2010-13	CESTAT, Allahabad
Finance Act 1994, read with Service Tax Rules, 1994	Service Tax	0.09	2009-10	Customs,Excise, Service Tax Appellant Tribunal, Allahabad
Finance Act 1994, read with Service Tax Rules, 1994	Service Tax	0.28	2006-11	Customs,Excise, Service Tax Appellant Tribunal, Allahabad
Finance Act 1994, read with Service Tax Rules, 1994	Service Tax	6.82	2006-07	Commissioner (Appeals)
Finance Act 1994, read with Service Tax Rules, 1994	Service Tax	0.45	2007-08 to 2011-12	Commissioner (Appeals)
Central Board Trustees *	Provident fund	4.30	1996-14	Bombay High Court

Above amount represents total demand inclusive of interest. Total amount deposited / adjusted in respect of Income tax is ₹133.35 Crores, Custom Duty ₹7.12 Crores and Service tax is ₹4.44 Crores.

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

* Pursuant to acquisition of demerged business of Geometric Limited in FY 2016-17

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a bank. The Company did not have any outstanding loans or borrowing dues in respect of financial institution or government or dues to debenture holders.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt

instruments hence, reporting under clause is not applicable to the Company and hence not commented upon. In our opinion and according to information and explanations given by the management, term loans were applied for the purpose for which they were raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud / material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number: 301003E / E300005

per Nilangshu Katriar
Partner
Membership Number: 58814

Place of Signature: Gurgaon
Date: May 2, 2018

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF HCL TECHNOLOGIES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of HCL Technologies Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E / E300005

per Nilangshu Katriar
Partner
Membership Number: 58814

Place of Signature: Gurgaon
Date: May 2, 2018

Balance Sheet as at 31 March 2018

(All amounts in crores of ₹)

		Note No.	As at 31 March 2018	As at 31 March 2017
I.	**ASSETS**			
	(1) Non-current assets			
	(a) Property, plant and equipment	3.1	3,293	3,126
	(b) Capital work in progress		298	411
	(c) Goodwill	3.2	550	553
	(d) Other intangible assets	3.3	6,585	4,310
	(e) Financial assets			
	(i) Investments	3.4	4,068	3,810
	(ii) Loans	3.5	235	-
	(iii) Others	3.6	166	187
	(f) Deferred tax assets (net)	3.25	1,506	1,211
	(g) Other non-current assets	3.7	669	647
	(2) Current assets			
	(a) Inventories	3.8	40	90
	(b) Financial assets			
	(i) Investments	3.4	2,130	914
	(ii) Trade receivables	3.9	5,427	4,418
	(iii) Cash and cash equivalents	3.10(a)	210	352
	(iv) Other bank balances	3.10(b)	2,115	7,610
	(v) Loans	3.5	3,438	2,543
	(vi) Others	3.6	1,541	1,518
	(c) Other current assets	3.11	547	671
	TOTAL ASSETS		**32,818**	**32,371**
II.	**EQUITY**			
	(a) Equity share capital	3.12	278	285
	(b) Other equity		27,285	25,688
	TOTAL EQUITY		27,563	25,973
III.	**LIABILITIES**			
	(1) Non - current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	3.13	33	31
	(ii) Others	3.14	2	7
	(b) Provisions	3.15	471	411
	(c) Other non-current liabilities	3.16	56	34
	(2) Current liabilities			
	(a) Financial liabilities			
	(i) Trade payables	3.17	544	485
	(ii) Others	3.14	2,866	4,004
	(b) Other current liabilities	3.18	608	885
	(c) Provisions	3.15	129	111
	(d) Current tax liabilities (net)		546	430
	TOTAL EQUITY AND LIABILITIES		**32,818**	**32,371**
	Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR S. R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E / E300005
Chartered Accountants

per Nilangshu Katriar
Partner
Membership Number: 58814

Gurgaon, India
2 May 2018

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

Shiv Nadar
Chairman and
Chief Strategy Officer

S. Madhavan
Director

C. Vijayakumar
President and
Chief Executive Officer

Anil Chanana
Chief Financial Officer

Prahlad Rai Bansal
Deputy Chief Financial Officer

Manish Anand
Company Secretary

Noida (UP), India
2 May 2018

Statement of Profit and Loss for the year ended 31 March 2018

(All amounts in crores of ₹)

		Note No.	Year ended 31 March 2018	Year ended 31 March 2017
I	**Revenue**			
	Revenue from operations	3.19	22,073	19,318
	Other income	3.20	702	956
	Total income		**22,775**	**20,274**
II	**Expenses**			
	Purchase of stock-in-trade		138	124
	Changes in inventories of stock-in-trade	3.21	50	39
	Employee benefits expense	3.22	7,365	6,844
	Finance costs	3.23	23	55
	Depreciation and amortization expense	3.1 & 3.3	893	478
	Outsourcing costs		2,918	2,219
	Other expenses	3.24	2,263	2,239
	Total expenses		**13,650**	**11,998**
III	**Profit before tax**		**9,125**	**8,276**
IV	**Tax expense**	3.25		
	Current tax		1,987	1,537
	Deferred tax charge (credit)		(224)	(134)
	Total tax expense		1,763	1,403
V	**Profit for the year**		**7,362**	**6,873**
VI	**Other comprehensive income**	3.26		
(A)	(i) Items that will not be reclassified to statement of profit and loss		35	(7)
	(ii) Income tax on items that will not be reclassified to statement of profit and loss		(7)	1
(B)	(i) Items that will be reclassified subsequently to statement of profit and loss		(332)	520
	(ii) Income tax on items that will be reclassified to statement of profit and loss		78	(109)
VII	**Total other comprehensive income**		**(226)**	**405**
VIII	**Total comprehensive income for the year**		**7,136**	**7,278**
	Earnings per equity share of ₹2 each	3.27		
	Basic (in ₹)		52.54	48.18
	Diluted (in ₹)		52.50	48.13
Summary of significant accounting policies		1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR S. R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E / E300005
Chartered Accountants
per Nilangshu Katriar
Partner
Membership Number: 58814

Gurgaon, India
2 May 2018

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

Shiv Nadar
Chairman and
Chief Strategy Officer

S. Madhavan
Director

C. Vijayakumar
President and
Chief Executive Officer

Anil Chanana
Chief Financial Officer

Prahlad Rai Bansal
Deputy Chief Financial Officer

Manish Anand
Company Secretary

Noida (UP), India
2 May 2018

Statement of Changes in Equity for the year ended 31 March 2018

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

	Equity share capital		Other equity									
			Reserves and Surplus							Other comprehensive income		
	Shares	Share capital	Retained earnings	General reserve	Securities premium	Capital reserve	Capital Re-demption reserve	Share based payment reserve	Special economic zone re-in-vestment reserve*	Foreign currency translation reserve	Cash flow hedging reserve	Total other equity
Balance as at 1 April 2016	1,410,381,314	282	16,470	2,639	1,963	120	-	38	-	(23)	8	21,215
Profit for the year	-	-	6,873	-	-	-	-	-	-	-	-	6,873
Other comprehensive income (refer note 3.26)	-	-	(6)	-	-	-	-	-	-	(26)	437	405
Total comprehensive income for the year	-	-	6,867	-	-	-	-	-	-	(26)	437	7,278
Dividend of ₹24 per share (including tax on dividend of ₹683 crores)	-	-	(4,069)	-	-	-	-	-	-	-	-	(4,069)
Shares issued for consideration other than cash on acquisition (refer note 2)	15,563,430	3	-	-	1,264	-	-	-	-	-	-	1,264
Shares issued for exercised options	838,680	-	-	-	17	-	-	(17)	-	-	-	-
Balance as at 31 March 2017	1,426,783,424	285	19,268	2,639	3,244	120	-	21	-	(49)	445	25,688
Balance as at 1 April 2017	1,426,783,424	285	19,268	2,639	3,244	120	-	21	-	(49)	445	25,688
Profit for the year	-	-	7,362	-	-	-	-	-	-	-	-	7,362
Other comprehensive income (refer note 3.26)	-	-	28	-	-	-	-	-	-	54	(308)	(226)
Total comprehensive income for the year	-	-	7,390	-	-	-	-	-	-	54	(308)	7,136
Dividend of ₹12 per share (including tax on dividend of ₹340 crores)	-	-	(2,032)	-	-	-	-	-	-	-	-	(2,032)
Buyback of equity shares	(35,000,000)	(7)	-	(252)	(3,248)	-	7	-	-	-	-	(3,493)
Expenses on buyback of equity shares	-	-	(14)	-	-	-	-	-	-	-	-	(14)
Transfer to special economic zone re-investment reserve	-	-	(310)	-	-	-	-	-	310	-	-	-
Shares issued for exercised options	462,960	-	-	-	9	-	-	(9)	-	-	-	-
Balance as at 31 March 2018	1,392,246,384	278	24,302	2,387	5	120	7	12	310	5	137	27,285

* The Company has created SEZ Reinvestment Reserve out of profits of the eligible SEZ Units in the terms of the specific provisions of Section 10AA (1)(ii) of the Income Tax Act, 1961 ("the Act"). The said reserve should be utilized by the Company for acquiring Plant and Machinery in the specified SEZ units for the purpose of its business in the terms of Section 10AA(2) of the Act.

Refer note 1 for summary of significant accounting policies

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 / E300005
Chartered Accountants

per Nilangshu Katriar
Partner
Membership Number: 58814

Gurgaon, India
2 May 2018

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

Shiv Nadar
Chairman and
Chief Strategy Officer

S. Madhavan
Director

C. Vijayakumar
President and
Chief Executive Officer

Anil Chanana
Chief Financial Officer

Prahlad Rai Bansal
Deputy Chief Financial Officer

Manish Anand
Company Secretary

Noida (UP), India
2 May 2018

Statement of Cash flows
(All amounts in crores of ₹)

	Year ended 31 March 2018	Year ended 31 March 2017
A. Cash flows from operating activities		
Profit before tax	9,125	8,276
Adjustment for:		
Depreciation and amortization	893	478
Interest income	(441)	(787)
Dividend income from subsidiaries	(16)	(26)
Provision for doubtful debts / bad debts written off, net	25	11
Income on investments carried at fair value through profit and loss	(143)	(46)
Income on investments carried at fair value through other comprehensive income	(3)	-
Interest expenses	5	28
Loss (profit) on sale of property, plant and equipment (net)	(4)	(2)
Other non cash charges (net)	91	136
Operating profit before working capital changes	**9,532**	**8,068**
Movement in working capital		
(Increase) decrease in trade receivables	(994)	(127)
(Increase) decrease in inventories	50	38
(Increase) decrease in other financial assets and other assets	(244)	677
Increase (decrease) in trade payables	48	(66)
Increase (decrease) in provisions, other financial liabilities and other liabilities	(328)	(9)
Cash generated from operations	**8,064**	**8,581**
Direct taxes paid (net of refunds)	(1,725)	(1,586)
Net cash flow from operating activities (A)	**6,339**	**6,995**
B. Cash flows from investing activities		
Investments in bank deposits	(2,117)	(7,637)
Proceeds from bank deposits on maturity	7,615	8,563
Purchase of investments in securities	(19,514)	(10,183)
Proceeds from sale of investments in securities	18,180	9,889
Deposits placed with body corporate	(3,643)	(2,499)
Proceeds from maturity of deposits placed with body corporate	2,500	1,985
Payments for business acquisitions, net of cash acquired	-	3
Purchase of property, plant and equipment and intangibles, including capital work in progress and capital advances	(4,354)	(3,252)
Proceeds from sale of property, plant and equipment	15	(48)
Proceeds from (investment in) equity instruments of subsidiary carried at cost	2	(86)
Loans extended to group company	-	(10)
Proceeds from loans extended to group company	-	32
Dividend received from subsidiaries	16	26
Interest and dividend received	476	837
Taxes paid	(149)	(263)
Net cash flow used in investing activities (B)	**(973)**	**(2,643)**
C. Cash flows from financing activities		
Proceeds from long term borrowings	19	22
Repayment of long term borrowings	(16)	(19)
Proceeds from short term borrowings	-	(20)
Buyback of equity shares	(3,500)	-
Expenses on buyback of equity shares	(14)	-
Dividend paid	(1,691)	(3,385)

Statement of Cash flows
(All amounts in crores of ₹)

	Year ended 31 March 2018	Year ended 31 March 2017
Corporate dividend tax	(340)	(683)
Interest paid	(5)	(27)
Net cash flow used in financing activities (C)	**(5,547)**	**(4,112)**
Net increase (decrease) in cash and cash equivalents (A+B+C)	(181)	240
Effect of exchange differences on cash and cash equivalents held in foreign currency	39	(13)
Cash and cash equivalents at the beginning of the year	352	125
Cash and cash equivalents at the end of the year as per note 3.10 (a)	**210**	**352**

Notes:

1. The total amount of income taxes paid is ₹1,874 crores (31 March 2017, ₹1,849 crores)
2. Cash and cash equivalents include the following:

Investor education and protection fund-unclaimed dividend *	5	4

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

As per our report of even date

FOR S. R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E / E300005
Chartered Accountants

per Nilangshu Katriar
Partner
Membership Number: 58814

Gurgaon, India
2 May 2018

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

Shiv Nadar
Chairman and
Chief Strategy Officer

S. Madhavan
Director

C. Vijayakumar
President and
Chief Executive Officer

Anil Chanana
Chief Financial Officer

Prahlad Rai Bansal
Deputy Chief Financial Officer

Manish Anand
Company Secretary

Noida (UP), India
2 May 2018

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

ORGANIZATION AND NATURE OF OPERATIONS

HCL Technologies Limited (hereinafter referred to as "the Company") is primarily engaged in providing a range of software development services, business process outsourcing services and IT infrastructure services. The Company was incorporated under the provisions of the Companies Act applicable in India in November 1991, having its registered office at 806, Siddharth, 96, Nehru Place, New Delhi- 110019. The Company leverages its extensive infrastructure and professionals to deliver solutions across select verticals including financial services, manufacturing (automotive, aerospace, Hi-tech, semi-conductors), life sciences & healthcare, public services (oil and gas, energy and utility, travel, transport and logistics), retail and consumer products, telecom, media, publishing and entertainment.

The financial statements for the year ended 31 March 2018 were approved and authorized for issue by the Board of Directors on 2 May 2018.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Basis of preparation*

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

These financial statements have been prepared under the historical cost convention on an accrual and going concern basis except for the following assets and liabilities which have been measured at fair value:

a) Derivative financial instruments,

b) Certain financial assets and liabilities (refer accounting policy regarding financial instruments)

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

The Company uses the Indian rupee ('₹') as its reporting currency.

(b) *Use of estimates*

The preparation of financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and other comprehensive income (OCI) that are reported and disclosed in the financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Significant estimates and assumptions are used for, but not limited to, accounting for costs expected to be incurred to complete performance under fixed price projects, allowance for uncollectible accounts receivables, accrual of warranty costs, income taxes, valuation of share-based compensation, future obligations under employee benefit plans, the useful lives of property, plant and equipment, intangible assets, impairment of goodwill, and other contingencies and commitments. Changes in estimates are reflected in the financial statements in the year in which the changes are made. Actual results could differ from those estimates.

(c) *Business combinations and goodwill*

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

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

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

(d) *Foreign currency and translation*

The financial statements of the Company are presented in Indian Rupee (₹) which is also the Company's functional currency. For each foreign operation, the Company determines the functional currency which is its respective local currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date of the transaction. Foreign-currency denominated monetary assets and liabilities are translated to the relevant functional currency at exchange rates in effect at the balance sheet date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the initial transaction. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the year. Revenue, expenses and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

The translation of foreign operations from respective functional currency into INR (the reporting currency) for assets and liabilities is performed using the exchange rates in effect at the balance sheet date, and for revenue, expenses and cash flows is performed using an appropriate daily weighted average exchange rate for the respective years. The exchange differences arising on translation are reported as a component of 'other comprehensive income (loss)'. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in the statement of profit and loss.

(e) *Fair value measurement*

The Company records certain financial assets and liabilities at fair value on a recurring basis. The Company determines fair values based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or most advantageous market for that asset or liability.

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

Level 1 - Quoted inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations, in which all significant inputs are directly or indirectly observable in active markets.

Level 3 - Valuations derived from valuation techniques, in which one or more significant inputs are unobservable inputs which are supported by little or no market activity.

In accordance with Ind AS 113, assets and liabilities are to be measured based on the following valuation techniques:

a) Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

b) Income approach – Converting the future amounts based on market expectations to its present value using the discounting method.

c) Cost approach – Replacement cost method.

Certain assets are measured at fair value on a non-recurring basis. These assets consist primarily of non-financial assets such as goodwill and intangible assets. Goodwill and intangible assets recognized in business combinations are measured at fair value initially and subsequently when there is an indicator of impairment, the impairment is recognized.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant who would use the asset in its highest and best use.

(f) ***Revenue recognition***

Contracts involving provision of services

Revenue is recognized when persuasive evidence of an arrangement exists, services have been rendered, the fee is determinable and collectability is reasonably assured. Contracts can be primarily categorized as time-and-material or fixed price contracts.

Time-and-material contracts

Revenue with respect to time-and-material contracts is recognized as the related services are performed.

Fixed Price contracts

Revenue related to contracts providing maintenance and support services, is recognized over the term of the contract where the company has continuing obligation.

Revenue from technology integration and complex network building contracts is recognized in accordance with the Percentage-Of-Completion (POC) method. Under the POC method, progress towards completion is measured based on either achievement of specified contract milestones, cost incurred as a proportion of estimated total cost or other measures of progress when available. If circumstances arise that change the original estimates of revenues, costs, or extent of progress towards completion, revisions are made to the estimates. These revisions may result in increase or decrease in estimated revenues or costs, and such revisions are reflected in income in the year in which the circumstances that gave rise to the revision become known to the management. Provisions for estimated losses, if any, on contracts in progress are recorded in the period in which such losses become probable based on the current cost estimates. Contract losses are determined to be the amount by which the estimated total cost to complete exceeds the estimated total revenue that will be generated by the contract and are included in Cost of services and classified in other accrued liabilities.

In arrangements involving sharing of customer revenues, revenue is recognized when the amounts are known and the right to receive is established. Incremental revenue from existing contracts arising on future sales to the customers is recognized when it is earned and collectability is reasonably assured.

Revenues from unit-priced contracts are recognized as transactions are processed, based on objective measures of output.

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

Multiple-element arrangements

When a sales arrangement contains multiple elements, such as services, hardware and software products and licenses, revenue for each element is determined based on its fair value.

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

Revenue from activities in transition services not having standalone value in outsourcing arrangements is deferred and recognized over the period of the arrangement. Direct and incremental costs in relation to such an arrangement are also deferred to the extent of revenue. Certain upfront non-recurring contract acquisition costs incurred in the initial phases of outsourcing contracts are deferred and amortized usually on a straight line basis, over the term of the contract unless revenues are earned and obligations are fulfilled in a different pattern. The undiscounted cash flows from the arrangement are periodically estimated and compared with the unamortized costs. If the unamortized costs exceed the undiscounted cash flow, a loss is recognized.

In instances when revenue is derived from sales of third-party vendor services, material or licenses, revenue is recorded on a gross basis when the Company is a principal to the transaction and net of costs when the Company is acting as an agent between the customer and the vendor. Several factors are considered to determine whether the Company is a principal or an agent, most notably whether the Company is the primary obligor to the customer, has established its own pricing, and has inventory and credit risks.

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

Revenue from financing leases is recognized when risk of loss has been transferred to the client and there are no unfulfilled obligations that affect the final acceptance of the arrangement by the client. Revenue from operating leases is accounted on a straight-line basis as service revenue over the rental period. Interest attributable to financing leases included therein is recognized on an accrual basis using the effective interest method.

Interest income

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

(g) ***Income taxes***

Income tax expense comprises current and deferred income tax.

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Provision for income tax includes the impact of provisions established for uncertain income tax positions.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets and liabilities recognized for those temporary differences which originate during the tax holiday period are reversed after the tax holiday period. For this purpose, reversal of timing differences is determined using first in first out method.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the year that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognized in the statement of profit and loss.

(h) ***Property, plant and equipment***

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

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

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

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

Depreciation on property, plant and equipment 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 assets for computing depreciation are as follows:

Asset description	Asset life (in years)
Buildings	20
Plant and equipment (including air conditioners, electrical installations)	10
Office equipment	5
Computers and networking equipment	4-5
Furniture and fixtures	7
Vehicles	5

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

(i) ***Intangible assets***

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

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

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

The intangible assets are amortized over the estimated useful life of the assets as mentioned below except certain Licensed IPRs which include the right to modify, enhance or exploit are amortized in proportion to the expected benefits over the useful life which could range up to 15 years:

Asset description	Asset life (in years)
Software	3
Licensed IPRs	5 to 15
Customer relationships	11
Customer contracts	1
Intellectual property rights	6

(j) ***Research and development costs***

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

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. Amortization expense is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

(k) ***Borrowing costs***

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(l) ***Leases***

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between 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 in finance costs in the statement of profit and loss.

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

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Company as a lessor

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

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

(m) ***Inventory***

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

(n) ***Impairment of non-financial assets***

Goodwill

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

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

Intangible assets and property, plant and equipment

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

(o) ***Provisions***

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows.

(p) ***Retirement and other employee benefits***

i. Provident fund: Employees of the Company receive benefits under the provident fund, a defined benefit plan. The employee and employer each make monthly contributions to the plan. A portion of the contribution is made to the provident fund trust managed by the Company or Government administered provident fund; while the balance contribution is made to the Government administered pension fund. For the contribution made by the Company to the provident fund trust managed by the Company, the Company has an obligation to fund any shortfall on the yield of the Trust's investments over the administered interest rates. The liability is actuarially determined (using the projected unit credit method) at the end of the year. The funds contributed to the Trust are invested in specific securities as mandated by law and generally consist of federal and state government bonds, debt instruments of government-owned corporations and other eligible market securities.

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 a maximum of ₹20 lacs per employee). The liability is actuarially determined (using the projected unit credit method) at the end of each year. Actuarial gains / losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the year in which they occur.

In respect to certain employees in India, the Company contributes towards gratuity liabilities to the Gratuity Fund Trust. Trustees of the Company administer contributions made to the Trust and contributions are invested in a scheme with Life Insurance Corporation of India as permitted by law.

iv. Compensated absences: The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The employees can carry forward up to the specified portion of the unutilized accumulated compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The expected cost of accumulating compensated absences is determined by actuarial valuation (using the projected unit credit method) based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the balance sheet date. The expense on non-accumulating compensated absences is recognized in the statement of profit and loss in the year in which the absences occur. Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

v. State Plan: The contribution to State Plans in India, a defined contribution plan namely Employee State Insurance Fund is charged to the statement of profit and loss as and when employees render related services.

(q) ***Equity settled stock based compensation***

Stock-based compensation represents the cost related to stock-based awards granted to employees. The Company measures stock-based compensation cost at grant date, based on the estimated fair value of the award and recognizes the cost (net of estimated forfeitures) on a straight line basis over the requisite service period for each separately vesting portion of the award, as if award was in substance, multiple awards. The Company estimates the fair value of stock options using the Black-Scholes valuation model. The cost is recorded under the head employee benefit expense in the statement of profit and loss with corresponding increase in "Share Based Payment Reserve".

(r) ***Financial Instruments***

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. **Financial assets**

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value measured on initial recognition of financial asset. Purchase and sale of financial assets are accounted for at trade date.

Cash and short-term deposits
Cash and short-term deposits in the balance sheet comprise cash in banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Financial assets at amortized cost
A financial asset is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category includes cash and bank balances, loans, unbilled revenue, trade and other receivables.

Financial asset at Fair Value through Other Comprehensive Income (OCI)
A financial asset is classified and measured at fair value through OCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent solely payments of principal and interest.

Financial asset included within the OCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. Interest income is recognized in statement of profit and loss for debt instruments. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from OCI to statement of profit and loss.

Financial assets at Fair Value through Profit and Loss
Any financial asset, which does not meet the criteria for categorization at amortized cost or at fair value through other comprehensive income, is classified at fair value through profit and loss. Financial assets included at the fair value through profit and loss category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments
Equity investments in subsidiaries are measured at cost.

Derecognition of financial assets
A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.

Impairment of financial assets
The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Lifetime ECL allowance is recognized for trade receivables with no significant financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case they are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized in the statement of profit and loss.

ii. **Financial liabilities**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade payables, borrowings including bank overdrafts and other payables.

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

iii. **Derivative financial instruments and hedge accounting**

Foreign exchange forward contracts and options are purchased to mitigate the risk of changes in foreign exchange rates associated with forecast transactions denominated in certain foreign currencies.

The Company recognizes all derivatives as assets or liabilities measured at their fair value. Changes in fair value for derivatives not designated in a hedge accounting relationship are marked to market at each reporting date and the related gains (losses) are recognized in the statement of profit and loss as 'foreign exchange gains (losses)'.

The foreign exchange forward contracts and options in respect of forecast transactions which meet the hedging criteria are designated as cash flow hedges. Changes in the derivative fair values (net of tax) that are designated as effective cash flow hedges are deferred and recorded in the hedging reserve account as a component of accumulated 'other comprehensive income (loss)' until the hedged transaction occurs and are then recognized in the statement of profit and loss. The ineffective portion of hedging derivatives is immediately recognized in the statement of profit and loss.

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.

Hedge accounting is discontinued prospectively from the last testing date when (1) it is determined that the derivative financial instrument is no longer effective in offsetting changes in the fair value or cash flows of the underlying exposure being hedged; (2) the derivative financial instrument matures or is sold, terminated or exercised; or (3) it is determined that designating the derivative financial instrument as a hedge is no longer appropriate. When hedge

accounting is discontinued the deferred gains or losses on the cash flow hedge remain in 'other comprehensive income (loss)' until the forecast transaction occurs. Any further change in the fair value of the derivative financial instrument is recognized in current year earnings.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis to realize the assets and settle the liabilities simultaneously.

(s) ***Dividend***

Final dividend proposed by the Board of Directors is recognized upon approval by the shareholders who have the right to decrease but not increase the amount of dividend recommended by the Board of Directors. Interim dividends are recognized on declaration by the Board of Directors.

(t) ***Earnings per share (EPS)***

Basic EPS amounts are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as at the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented.

(u) ***Recently issued accounting pronouncements***

On 28 March 2018, the Ministry of Corporate Affairs (MCA), notified Companies (Indian Accounting Standards) (Amendments) Rules, 2018, amending the following standards:

Appendix B to Ind AS 21, 'Foreign Currency Transactions and Advance Consideration'

The amendment clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration.

The Appendix is effective for annual periods beginning on or after 1 April 2018. However, since the Company's current practice is in line with the Interpretation, the Company does not expect any effect on its financial statements.

Ind AS 115, Revenue from Contract with Customers

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue, Ind AS 11 Construction Contracts. The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The core principle of Ind AS 115 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Under Ind AS 115, an entity recognizes revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

The standard permits two possible methods of transition:

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

- Retrospective approach-Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Company is currently evaluating the impact that the adoption of this new standard will have on its financial statements.

2. **Acquisition in the previous year**

Business of Geometric Limited

On 1 April 2016, the Company entered into a composite scheme of arrangement and amalgamation for acquisition of the IT enabled engineering services, PLM ('Product Lifecycle Management') services and engineering design productivity software tools business of Geometric Limited by way of demerger through a Court approved scheme of arrangement under Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 (including those of the Companies Act, 2013). The acquisition will help the Company to create a unique portfolio of end-to-end engineering and R&D capabilities across the full product lifecycle - hardware, software, manufacturing engineering and PLM consulting.

The scheme came into effect from 2 March, 2017 post all regulatory approvals required for completion of the scheme and is accounted from 1 April 2016.

The purchase consideration as per the scheme has been settled by issue of 10 equity shares of ₹2 each (aggregating to 15,563,430 equity shares) for every 43 fully paid equity shares of ₹2 each held by equity shareholders of Geometric Limited. The total purchase price of ₹1,267 crores has been allocated to the acquired assets and liabilities as follows:

	Amount
Net working capital	178
Property, plant & equipment and software	45
Investments	335
Intangible assets	
Customer relationship	151
Customer contract	19
Intellectual property rights	7
Goodwill	532
Total purchase consideration	**1,267**

The resultant goodwill is not tax deductible and has been allocated to the software segment.

The table below shows the values and lives of intangibles recognized on acquisition:-

	Amount	Life (Years)
Customer relationship	151	11
Customer contract	19	1
Intellectual property rights	7	6
Total Intangibles	**177**	

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

3. Notes to financial statements

3.1 Property, plant and equipment

The changes in the carrying value for the year ended 31 March 2018

	Freehold land	Buildings	Plant and equipment	Office equipment	Computers and networking equipment	Furniture and fixtures	Vehicles	Total
Gross block as at 1 April 2017	**48**	**2,491**	**1,172**	**210**	**1,285**	**472**	**108**	**5,786**
Additions	-	245	81	21	203	21	34	**605**
Acquisitions through business combinations	-	-	-	-	-	-	-	**-**
Disposals	-	-	5	3	41	12	25	**86**
Translation exchange differences	-	-	(2)	3	2	1	-	**4**
Gross block as at 31 March 2018	**48**	**2,736**	**1,246**	**231**	**1,449**	**482**	**117**	**6,309**
Accumulated depreciation as at 1 April 2017	**-**	**494**	**657**	**165**	**934**	**360**	**50**	**2,660**
Charge for the year	-	133	82	17	143	31	22	**428**
Acquisitions through business combinations	-	-	-	-	-	-	-	**-**
Deduction / other adjustments	-	-	4	3	36	12	19	**74**
Translation exchange differences	-	-	(1)	1	1	1	-	**2**
Accumulated depreciation as at 31 March 2018	**-**	**627**	**734**	**180**	**1,042**	**380**	**53**	**3,016**
Net block as at 31 March 2018	**48**	**2,109**	**512**	**51**	**407**	**102**	**64**	**3,293**

Note 1:
Capital work in progress includes ₹9 crores interest on extended interest bearing suppliers credit and during the year ₹25 crores have been capitalised by the Company.

The changes in the carrying value for the year ended 31 March 2017

	Freehold land	Buildings	Plant and equipment	Office equipment	Computers and networking equipment	Furniture and fixtures	Vehicles	Total
Gross block as at 1 April 2016	**48**	**2,091**	**1,080**	**194**	**1,130**	**472**	**104**	**5,119**
Additions	-	372	107	17	167	19	30	**712**
Acquisitions through business combinations	-	28	6	3	-	2	-	**39**
Disposals	-	-	21	4	11	21	26	**83**
Translation exchange differences	-	-	-	-	(1)	-	-	**(1)**
Gross block as at 31 March 2017	**48**	**2,491**	**1,172**	**210**	**1,285**	**472**	**108**	**5,786**
Accumulated depreciation as at 1 April 2016	**-**	**378**	**598**	**152**	**827**	**351**	**50**	**2,356**
Charge for the year	-	116	75	17	118	28	21	**375**

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

	Freehold land	Buildings	Plant and equipment	Office equipment	Computers and networking equipment	Furniture and fixtures	Vehicles	Total
Acquisitions through business combinations	-	-	-	-	-	-	-	**-**
Deduction / other adjustments	-	-	16	4	10	19	21	**70**
Translation exchange differences	-	-	-	-	(1)	-	-	**(1)**
Accumulated depreciation as at 31 March 2017	**-**	**494**	**657**	**165**	**934**	**360**	**50**	**2,660**
Net block as at 31 March 2017	**48**	**1,997**	**515**	**45**	**351**	**112**	**58**	**3,126**
Net block as at 1 April 2016	**48**	**1,713**	**482**	**42**	**303**	**121**	**54**	**2,763**

Note:

1. During previous year, a subsidiary of the Company has entered into an agreement to acquire 100% membership interest of Butler America Aerospace, LLC (Butler Aerospace).

   Butler Aerospace has one design center in India, the Company has acquired the India business of Butler Aerospace at a purchase price of ₹4 crores.

   The purchase consideration of ₹4 crores has been allocated to goodwill ₹3 crores and residual ₹1 crores allocated to tangible assets and other current assets. The resultant goodwill has been allocated to the Software Services segment.

2. Capital work in progress includes ₹27 crores interest on extended interest bearing suppliers credit and during the year ₹23 crores have been capitalised by the Company.

3.2 Goodwill

The changes in the carrying value of goodwill balances by reportable segment, for the year ended 31 March 2018

	Software Services	Infrastructure services	Business process outsourcing services	Total
Opening balance as at 1 April 2017	**535**	**18**	**-**	**553**
Effect of exchange rate changes	(3)	-	-	(3)
Closing balance as at 31 March 2018	**532**	**18**	**-**	**550**

The changes in the carrying value of goodwill balances by reportable segment, for the year ended 31 March 2017

	Software Services	Infrastructure services	Business process outsourcing services	Total
Opening balance as at 1 April 2016	**-**	**18**	**-**	**18**
Acquisitions through business combinations				
Business of Geometric Limited	532	-	-	532
Other	3	-	-	3
Closing balance as at 31 March 2017	**535**	**18**	**-**	**553**

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

Goodwill is tested for impairment at least annually. Impairment is recognised, if present value of the future cash flows is less than the carrying value of goodwill. Future cash flows are forecast for 5 years & then on perpetuity on the basis of certain assumptions which includes revenue growth, earnings before interest and taxes, taxes, capital outflow and working capital requirements. The

assumptions are taken on the basis of past trends and management estimates and judgement. Future cash flows are discounted with "Weighted Average Cost of Capital". The key assumptions are as follows:

	As at	
	31 March 2018	31 March 2017
Terminal growth rate (%)	2.5	5
Discount rate (%)	10.80	10.40

As at 31 March 2018 and 31 March 2017 the estimated recoverable amount of the CGU exceeded its carrying amount and accordingly, no impairment was recognized.

3.3 Other intangible assets

The changes in the carrying value for the year ended 31 March 2018

	Software	Licensed IPRs	Customer relationships	Customer contracts	Intellectual property rights	Total
Gross block as at 1 April 2017	**553**	**4,213**	**151**	**19**	**7**	**4,943**
Additions	73	2,753	-	-	-	2,826
Acquisitions through business combinations	-	-	-	-	-	-
Disposals	4	-	-	-	-	4
Translation exchange differences	1	-	-	-	-	1
Gross block as at 31 March 2018	**623**	**6,966**	**151**	**19**	**7**	**7,766**
Accumulated depreciation as at 1 April 2017	**459**	**139**	**15**	**19**	**1**	**633**
Charge for the year	58	382	24	-	1	**465**
Acquisitions through business combinations	-	-	-	-	-	**-**
Deduction / other adjustments	4	(86)	-	-	-	**(82)**
Translation exchange differences	1	-	-	-	-	**1**
Accumulated depreciation as at 31 March 2018	**514**	**607**	**39**	**19**	**2**	**1,181**
Net block as at 31 March 2018	**109**	**6,359**	**112**	**-**	**5**	**6,585**

The changes in the carrying value for the year ended 31 March 2017

	Software	Licensed IPRs	Customer relationships	Customer contracts	Intellectual property rights	Total
Gross block as at 1 April 2016	**448**	**-**	**-**	**-**	**-**	**448**
Additions	99	4,213	-	-	-	4,312
Acquisitions through business combinations	6	-	151	19	7	183
Disposals	-	-	-	-	-	-
Translation exchange differences	-	-	-	-	-	-
Gross block as at 31 March 2017	**553**	**4,213**	**151**	**19**	**7**	**4,943**
Accumulated depreciation as at 1 April 2016	**413**	**-**	**-**	**-**	**-**	**413**
Charge for the year	46	23	15	19	1	104

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

	Software	Licensed IPRs	Customer relationships	Customer contracts	Intellectual property rights	Total
Acquisitions through business combinations	-	-	-	-	-	-
Deduction / other adjustments	-	(116)	-	-	-	(116)
Translation exchange differences	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2017	**459**	**139**	**15**	**19**	**1**	**633**
Net block as at 31 March 2017	**94**	**4,074**	**136**	**-**	**6**	**4,310**
Net block as at 1 April 2016	**35**	**-**	**-**	**-**	**-**	**35**

3.4 Financial assets - Investments

	As at	
	31 March 2018	31 March 2017
Financial assets		
Non-current		
Unquoted Investment		
Equity investment in subsidiary companies carried at cost (fully paid up)		
445,492,500 (31 March 2017, 445,492,500) equity shares of USD 1 each in HCL Bermuda Limited, Bermuda	3,194	3,194
1,280 (31 March 2017, 1,280) equity shares of ₹10,000 each, in HCL Comnet Systems & Services Limited	11	11
949,900 (31 March 2017, 949,900) equity shares of ₹10 each, in HCL Comnet Limited	55	55
HCL Technologies (Shanghai) Limited (issued & registered capital)	10	10
1,033,384 (31 March 2017, 1,033,384) equity shares of SGD 1 each, in HCL Singapore Pte. Limited	5	5
30,000,000 (31 March 2017, 30,000,000) equity shares of Pound 1 each fully paid up, in HCL EAS Limited	225	225
1 (31 March 2017, 1) equity shares of Euro 100 each, in HCL GmbH	-	-
100,000 (31 March 2017, 92,000) equity shares of ₹10 each in HCL Eagle Limited [refer note (i) below]	-	-
50,000 (31 March 2017, 50,000) equity shares of ₹10 each in HCL Foundation	-	-
Nil (31 March 2017, 1,751,301) equity shares of ₹10 each in HCL Training & Staffing Services Private Limited [refer note (ii) below]	-	2
100,000 (31 March 2017, 100,000) equity shares of SGD 1 each, in Geometric Asia Pacific Pte. Ltd., Singapore [refer note (iii) below]	17	17
Euro 14.05 million (31 March 2017, 14.05 million) invested in equity share capital of Geometric Europe GmbH, Germany [refer note (iii) below]	67	67
1,432 (31 March 2017, 1,432) non assessable shares of USD 1 each, in Geometric Americas, Inc.,U.S.A [refer note (iii) below]	224	224
Quoted Investment		
Carried at fair value through other comrehensive income		
Investment in debentures or bonds	260	-
	4,068	**3,810**
Current		

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

	As at	
	31 March 2018	31 March 2017
Unquoted Investments		
Carried at fair value through profit and loss		
Investment in mutual fund	**2,130**	**914**
Total Investment - Financial assets	**6,198**	**4,724**
Aggregate amount of unquoted investments	5,938	4,724
Aggregate amount of quoted investments	260	-
Market value of quoted investments	260	-
Equity instruments carried at cost	3,808	3,810
Investment carried at fair value through other comprehensive income	260	-
Investment carried at fair value through profit and loss	2,130	914

Notes:-

(i) During the year the Company has acquired the remaining 8,000 equity shares of ₹10/- each of HCL Eagle Limited for a purchase consideration of ₹80,000/- thereby making it a wholly owned subsidiary.

(ii) During the year as part of internal restructuring the Company has sold the entire share capital of HCL Training & Staffing Services Private Limited for a total consideration of ₹2 crores to HCL Comnet Limited, a wholly owned subsidiary of the Company.

(iii) On 1 April 2016, these companies were acquired by way of merger through court approved scheme (refer note 2).

3.5 Loans

	As at	
	31 March 2018	31 March 2017
Non - current		
Carried at amortized cost		
Unsecured, considered good		
Inter corporate deposits	235	-
	235	**-**
Current		
Carried at amortized cost		
Unsecured, considered good		
Inter corporate deposits	3,408	2,500
Loans to related parties (refer note 3.31)	30	25
Loans to employees	-	18
	3,438	**2,543**

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

3.6 Other financial assets

	As at	
	31 March 2018	31 March 2017
Non - current		
Carried at amortized cost		
Bank deposits with more than 12 months maturity (refer note below)	-	2
Finance lease receivables [refer note 3.28(ii)]	30	3
Security deposits	52	33
Security deposits - related parties (refer note 3.31)	8	13
Other receivables	53	5
	143	**56**
Carried at fair value through other comprehensive income		
Unrealized gain on derivative financial instruments [refer note 3.29(a)]	23	131
	166	**187**
Current		
Carried at amortized cost		
Unbilled revenue	444	401
Unbilled revenue-related parties (refer note 3.31)	729	462
Interest receivable	31	64
Interest receivable - related parties (refer note 3.31)	2	2
Security deposits	26	39
Security deposits - related parties (refer note 3.31)	4	-
Finance lease receivables [refer note 3.28(ii)]	15	31
Other receivables	112	55
	1,363	**1,054**
Carried at fair value through other comprehensive income		
Unrealized gain on derivative financial instruments [refer note 3.29(a)]	178	457
Carried at fair value through profit and loss		
Unrealized gain on derivative financial instruments [refer note 3.29(a)]	-	7
	1,541	**1,518**

Note: Pledged with banks as security for guarantees ₹Nil (31 March 2017, ₹2 crores)

3.7 Other non- current assets

	As at	
	31 March 2018	31 March 2017
Unsecured considered good		
Capital advances	63	51
Advances other than capital advances		
Security deposits	35	34
Others		
Prepaid expenses	69	73
Prepaid rentals for leasehold land	285	289
Prepaid expenses - related parties (refer note 3.31)	3	-
Deferred cost	214	200
	669	**647**

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

3.8 Inventories

	As at	
	31 March 2018	31 March 2017
Stock-in-trade	40	90
	40	**90**

3.9 Trade receivables

	As at	
	31 March 2018	31 March 2017
Unsecured considered good (refer note below)	5,427	4,418
Unsecured considered doubtful	130	120
	5,557	**4,538**
Provision for doubtful receivables	(130)	(120)
	5,427	**4,418**

Note : Includes receivables from related parties amounting to ₹3,570 crores (31 March 2017, ₹2,781 crores).

3.10 Cash and bank balances

	As at	
	31 March 2018	31 March 2017
(a) Cash and cash equivalent		
Balance with banks		
- in current accounts	128	308
Cheques in hand	-	2
Remittances in transit	77	38
Unclaimed dividend account	5	4
	210	**352**
(b) Other bank balances		
Deposits with remaining maturity up to 12 months	2,115	7,610
	2,325	**7,962**

3.11 Other current assets

	As at	
	31 March 2018	31 March 2017
Unsecured, considered good		
Advances other than capital advances		
Security deposits	9	10
Advances to related parties (refer note 3.31)	61	56
Advances to employees	24	32
Advances to suppliers	33	42
Others		
Deferred cost	41	145
Deferred cost-related parties (refer note 3.31)	-	2
Prepaid expenses	207	173
Prepaid rentals for leasehold land	4	3
Prepaid expenses - related parties (refer note 3.31)	4	-
Advance tax (refundable)	2	-
Goods and service tax receivable	48	104
Other advances	114	104
	547	**671**

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

	As at	
	31 March 2018	31 March 2017
Unsecured, considered doubtful		
Advances other than capital advances		
Advances to employees	38	36
Other advances	5	5
Less: Provision for doubtful advances	(43)	(41)
	-	-
	547	**671**

3.12 Share capital

	As at	
	31 March 2018	31 March 2017
Authorized 1,500,000,000 (31 March 2017, 1,500,000,000) equity shares of ₹2 each	300	300
Issued, subscribed and fully paid up 1,392,246,384 (31 March 2017, 1,426,783,424) equity shares of ₹2 each	278	285

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 financial year

	As at			
	31 March 2018		31 March 2017	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Number of shares at the beginning	1,426,783,424	285	1,410,381,314	282
Add: Shares issued on exercise of employee stock options	462,960	-	838,680	-
Add: Shares issued on account of business combination (refer note 2)	-	-	15,563,430	3
Less: Shares extinguished on buyback	(35,000,000)	(7)	-	-
Number of shares at the end	1,392,246,384	278	1,426,783,424	285

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			
	31 March 2018		31 March 2017	
	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	587,647,744	42.21%	583,347,024	40.89%
HCL Holdings Private Limited	233,887,811	16.80%	239,097,816	16.76%

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.

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

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	
	31 March 2018	**31 March 2017**
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.	15,573,555 Equity shares	15,573,555 Equity shares
Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	702,847,961 Equity Shares	702,847,961 Equity Shares
Aggregate number and class of shares bought back	35,000,000 Equity Shares	Nil

During the year ended 31 March 2018, the Company has carried out the share buyback of 35,000,000 fully paid-up equity shares of face value of ₹2/- each at a price of ₹1,000/- per share paid in cash for an aggregate consideration of ₹3500 crores. Same has been recorded as reduction in equity share capital by ₹7 crores, securities premium by ₹3,248 crores and general reserve by ₹245 crores.

As required by the Companies Act, 2013, capital redemption reserve of ₹7 crores has been created out of general reserve to the extent of share capital extinguished.

The expenses of ₹14 crores relating to buyback has been adjusted against retained earnings.

Capital management

The primary objective of the Company's capital management is to support business continuity and growth of the company while maximizing the shareholder value. The company has been declaring quarterly dividend for last 15 years. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are generally met through operating cash flows generated.

Employee Stock Option Plan (ESOP)

The Company has provided share-based payment schemes to its employees. During the year ended 31 March 2018 and 2017, the following scheme was in operation:

	ESOP 2004
Maximum number of options under the plan	20,000,000
Method of settlement (cash / equity)	Equity
Vesting period (maximum)	96 months
Exercise period from the date of vesting (maximum)	5 years
Vesting conditions	Service period / Company performance

Each option granted under the above plans entitles the holder to eight equity shares of the Company at an exercise price, which is approved by the Nomination and Remuneration Committee.

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

The details of activity under the plan has been summarized below:-

ESOP 2004	Year ended			
	31 March 2018		31 March 2017	
	No. of options	Weighted average exercise price (₹)	No. of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	183,915	16	460,147	16
Add: Granted during the year	-	-	-	-
Less: Forfeited during the year	(2,400)	16	(152,610)	16
Exercised during the year	(57,870)	16	(104,835)	16
Expired during the year	-	-	(18,787)	16
Options outstanding at the end of the year*	**123,645**	**16**	**183,915**	**16**
Options exercisable at the end of the year	**118,845**		**176,715**	

The weighted average option price at the date of exercise for stock options exercised during the year was ₹6,962 (31 March 2017, ₹6,220)

*These options will vest to the employees of the Company based on the achievement of certain targets by the Company.

The details of exercise price for outstanding stock options is as below:

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 - 2004				
31 March 2018	₹16	123,645	1.38	16
31 March 2017	₹16	183,915	2.46	16

There are no options granted during the current year and previous year.

3.13 Borrowings

	Non-current		Current	
	As at		As at	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Long term borrowings				
Secured				
Term loan from banks (refer note 1 below)	33	31	15	14
Current maturities of long term borrowings disclosed under Note 3.14 "Other financial liabilities"	**-**	**-**	(15)	(14)
	33	**31**	**-**	**-**

Note:-

1. The Company has availed of term loans of ₹48 crores (31 March 2017, ₹45 crores) secured by hypothecation of gross block of vehicles of ₹109 crores (31 March 2017, ₹100 crores) at interest rates ranging from 8.50% p.a. to 10.40% p.a. The loans are repayable over a period of 3 to 5 years on a monthly basis.

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

3.14 Other financial liabilities

	As at	
	31 March 2018	31 March 2017
Non - current		
Carried at amortized cost		
Employee bonuses accrued	1	7
Carried at fair value through other comprehensive income		
Unrealized loss on derivative financial instruments [refer note 3.29(a)]	1	-
	2	**7**
Current		
Carried at amortized cost		
Current maturities of long term borrowings	15	14
Unclaimed dividends	5	4
Accrued salaries and benefits		
Employee bonuses accrued	314	289
Other employee costs	198	206
Others		
Liabilities for expenses	912	701
Liabilities for expenses-related parties (refer note 3.31)	323	594
Capital accounts payables [includes supplier credit ₹168 crores (31 March 2017, ₹185 crores)]	880	1,908
Capital accounts payables-related parties [includes supplier credit ₹2 crores (31 March 2017, Nil)] (refer note 3.31)	2	-
Supplier credit	88	238
Supplier credit -related parties (refer note 3.31)	123	18
	2,860	**3,972**
Carried at fair value through profit and loss		
Unrealized loss on derivative financial instruments [refer note 3.29(a)]	6	32
	2,866	**4,004**

3.15 Provisions

	As at	
	31 March 2018	31 March 2017
Non - Current		
Provision for employee benefits		
Provision for gratuity (refer note 3.30)	317	277
Provision for leave benefits	154	134
	471	**411**
Current		
Provision for employee benefits		
Provision for gratuity (refer note 3.30)	63	50
Provision for leave benefits	66	61
	129	**111**

3.16 Other non-current liabilities

	As at	
	31 March 2018	31 March 2017
Revenue received in advance	24	16
Revenue received in advance- related parties (refer note 3.31)	8	1
Others	24	17
	56	**34**

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

3.17 Trade payables

	As at	
	31 March 2018	31 March 2017
Trade payables	91	104
Trade payables-related parties (refer note 3.31)	453	381
	544	**485**

3.18 Other current liabilities

	As at	
	31 March 2018	31 March 2017
Revenue received in advance	144	279
Revenue received in advance-related parties (refer note 3.31)	326	419
Other Advances		
Advances received from customers	25	23
Others		
Withholding and other taxes payable	113	164
	608	**885**

3.19 Revenue from operations

	Year ended	
	31 March 2018	31 March 2017
Sale of services	21,859	19,150
Sale of hardware and software	214	168
	22,073	**19,318**

3.20 Other income

	Year ended	
	31 March 2018	31 March 2017
Interest income		
- On deposits	437	773
- Others	4	14
Income on investments carried at fair value through other comprehensive income	3	-
Income on investments carried at fair value through profit and loss		
- Dividend on mutual funds	-	6
- Gains on fair value changes on mutual funds	2	5
- Profit on sale of mutual funds	141	35
Dividends from subsidiary companies	16	26
Profit on sale of property, plant and equipments (refer note below)	4	2
Exchange differences (net)	88	57
Miscellaneous income	7	38
	702	**956**

Note: Net of loss on sale of property, plant & equipment ₹1 crore (31 March 2017, ₹4 crores).

3.21 Changes in inventories of stock-in-trade

	Year ended	
	31 March 2018	31 March 2017
Opening stock	90	129
Closing stock	(40)	(90)
	50	**39**

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

3.22 Employee benefits expense

	Year ended	
	31 March 2018	31 March 2017
Salaries, wages and bonus	7,038	6,546
Contribution to provident fund and other employee funds	285	245
Staff welfare expenses	42	53
	7,365	**6,844**

3.23 Finance cost

	Year ended	
	31 March 2018	31 March 2017
Interest		
- on loans from banks	5	5
- others	15	45
Bank charges	3	5
	23	**55**

3.24 Other expenses

	Year ended	
	31 March 2018	31 March 2017
Rent	217	217
Power and fuel	236	234
Insurance	23	15
Repairs and maintenance		
- Plant and machinery	56	37
- Buildings	76	61
- Others	168	164
Communication costs	110	131
Travel and conveyance	686	740
Legal and professional charges	95	132
Software license fee	275	224
Rates and taxes	30	13
CSR expenditure	91	40
Provision for doubtful debts / bad debts written off	25	11
Miscellaneous expenses	175	220
	2,263	**2,239**

3.25 Income taxes

	Year ended	
	31 March 2018	31 March 2017
Income tax charged to statement of profit and loss		
Current income tax charge	1,987	1,537
Deferred tax charge (credit)	(224)	(134)
	1,763	**1,403**
Income tax charged to other comprehensive income		
Expense (benefit) on re-measurements of defined benefit plans	7	(1)
Expense (benefit) on revaluation of cash flow hedges	(78)	109
	(71)	**108**

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

The reconciliation between the Company's provision for income tax and amount computed by applying the statutory income tax rate in India is as follows:

	Year ended	
	31 March 2018	31 March 2017
Profit before income tax	9,125	8,276
Statutory tax rate in India	34.61%	34.61%
Expected tax expense	3,158	2,864
Non-taxable export income	(1,405)	(1,304)
Reversal of prior year provision	-	(229)
MAT credit entitlement	(70)	-
Permanent differences	32	21
Others	48	51
Total taxes	1,763	1,403
Effective income tax rate	19.3%	17.0%

The company has benefited from certain tax incentives that the Government of India has provided for the units situated in Special Economic Zones (SEZs) under the Special Economic Zone Act, 2005, which began providing services on or after April 1, 2005. The eligible units are eligible for a deduction of 100% of profits or gains derived from the export of services for the first five years from commencement of provision of services and 50% of such profits and gains for a further five years. Certain tax benefits are also available for a further five years subject to the unit meeting defined conditions. The aforesaid tax benefits will not be available to Units commencing operations on or after April 1, 2020.

The Company is subject to Minimum Alternate Tax (MAT) on its book profits, which gives rise to future economic benefits in the form of adjustment of future income tax liability. MAT paid for a year can be set-off against the normal tax liability within fifteen subsequent years, expiring between the years 2023 to 2033.

Components of deferred tax assets and liabilities as on 31 March 2018

	Opening balance	Recognized in profit and loss	Recognised in / reclassified from OCI	Acquisitions	Exchange difference	Closing balance
Deferred tax assets						
MAT credit entitlement	1,120	221	-	-	-	1,341
Provision for doubtful debts	50	4	-	-	-	54
Accrued employee costs	146	3	(1)	-	-	148
Unrealized loss on derivative financial instruments	-	-	-	-	-	-
Depreciation and amortization	2	-	-	-	-	2
Others	50	(8)	-	-	-	42
Gross deferred tax assets (A)	**1,368**	**220**	**(1)**	**-**	**-**	**1,587**
Deferred tax liabilities						
Depreciation and amortization	28	12	-	-	-	40
Unrealized gain on fair value through OCI securities	-	-	-	-	-	-
Unrealized gain on derivative financial instruments	111	-	(78)	-	-	33
Others	18	(16)	6	-	-	8
Gross deferred tax liabilities (B)	**157**	**(4)**	**(72)**	**-**	**-**	**81**
Net deferred tax assets (A-B)	**1,211**	**224**	**71**	**-**	**-**	**1,506**

Components of deferred tax assets and liabilities as on 31 March 2017

	Opening balance	Recognized in profit and loss	Recognised in / reclassified from OCI	Acquisitions	Exchange difference	Closing balance
Deferred tax assets						
MAT credit entitlement	951	169	-	-	-	1,120
Provision for doubtful debts	-	48	-	2	-	50
Accrued employee costs	125	17	1	3	-	146
Unrealized loss on derivative financial instruments	-	-	-	-	-	-
Depreciation and amortization	4	(2)	-	-	-	2
Others	110	(60)	-	-	-	50
Gross deferred tax assets (A)	**1,190**	**172**	**1**	**5**	**-**	**1,368**
Deferred tax liabilities						
Depreciation and amortization	-	28	-	-	-	28
Unrealized gain on fair value through OCI securities	-	-	-	-	-	-
Unrealized gain on derivative financial instruments	2	-	109	-	-	111
Others	8	10	-	-	-	18
Gross deferred tax liabilities (B)	**10**	**38**	**109**	**-**	**-**	**157**
Net deferred tax assets (A-B)	**1,180**	**134**	**(108)**	**5**	**-**	**1,211**

There is nil amount of deferred tax asset which is not recognised in the balance sheet by the company.

3.26 Components of other comprehensive income

	Year Ended	
	31 March 2018	31 March 2017
A. Items that will not be reclassified to statement of profit and loss		
Retained earnings (Actuarial gain (loss) relating to defined benefit plan)		
Opening balance (net of tax)	3	9
Actuarial gains (losses)	35	(7)
Income tax benefit (expense)	(7)	1
Closing balance (net of tax)	31	3
B. Items that will be reclassified subsequently to statement of profit and loss		
Foreign currency translation reserve		
Opening balance	(49)	(23)
Foreign currency translation	54	(26)
Reclassification adjustments into other (income) expense, net	-	-
Closing balance	5	(49)
Cash flow hedging reserve		
Opening balance (net of tax)	445	8
Unrealized gains (losses)	131	677
Business combination	-	1
Reclassification adjustments into other (income) expense, net	(517)	(132)
Income tax benefit (expense)	78	(109)
Closing balance (net of tax)	**137**	**445**
TOTAL (B)	**142**	**396**

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

3.27 Earnings per share

The computation of earnings per share is as follows:

	Year ended	
	31 March 2018	31 March 2017
Net profit as per statement of profit and loss for computation of EPS	7,362	6,873
Weighted average number of equity shares outstanding in calculating Basic EPS	1,401,349,735	1,426,496,539
Dilutive effect of stock options outstanding	986,925	1,467,621
Weighted average number of equity shares outstanding in calculating dilutive EPS	1,402,336,660	1,427,964,160
Nominal value of equity shares (in ₹)	2	2
Earnings per equity share (in ₹)		
- Basic	52.54	48.18
- Diluted	52.50	48.13

3.28 Leases

i) Operating lease

The Company's significant leasing arrangements are in respect of operating leases for office spaces and accommodation for its employees. The aggregate lease rental expense recognized in the statement of profit and loss for the year amounts to ₹217 crores (31 March 2017, ₹217 crores).

The lease equalization amount for non-cancellable operating lease payable in future years and accounted for by the Company is ₹85 crores (31 March 2017, ₹84 crores). Future minimum lease payments and the payment profile of non-cancellable operating leases are as follows:

	Year ended	
	31 March 2018	31 March 2017
Not later than one year	139	167
Later than one year and not later than 5 years	445	458
Later than five years	187	266
	771	**891**

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

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

	Total minimum lease payments receivable	Interest included in minimum lease payments receivable	Present value of minimum lease payments receivable
As on 31 March 2018			
Not later than one year	15	-	15
Later than one year and not later than 5 years	31	1	30
	46	1	45
As on 31 March 2017			
Not later than one year	32	1	31
Later than one year and not later than 5 years	3	-	3
	35	1	34

3.29 Financial instruments

(a) Derivatives

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 counterparty in these derivative instruments is a bank and the Company considers the risks of non-performance by the counterparty as insignificant. The Company has entered into a series of foreign exchange forward contracts that are designated as cash flow hedges and the related forecasted transactions extend through December 2022. The Company does not use forward covers and currency options for speculative purposes.

The following table presents the aggregate notional principal amounts of the outstanding derivative forward covers together with the related balance sheet exposure:

Foreign exchange forward denominated in	Notional currency	Notional principal amounts (amount in thousands)		Balance sheet exposure Asset (Liability) (₹)	
		31 March 2018	31 March 2017	31 March 2018	31 March 2017
Sell covers					
USD / INR	USD	246,394	100,874	24	35
GBP / INR	GBP	9,760	2,750	-	-
EUR / INR	EUR	67,895	6,538	(14)	5
CHF / INR	CHF	21,000	14,750	3	12
SEK / INR	SEK	315,100	60,000	6	3
AUD / INR	AUD	34,350	14,000	6	3
NOK / INR	NOK	160,000	155,000	2	11
GBP / USD	GBP	2,230	-	-	-
NOK / USD	NOK	-	51,000	-	-
NZD / USD	NZD	3,560	-	-	-
JPY / USD	JPY	939,069	-	-	-
RUB / USD	RUB	198,000	32,000	-	-
AUD / USD	AUD	6,600	-	1	-
CHF / USD	CHF	1,500	4,600	-	-
ZAR / USD	ZAR	195,000	-	1	-
SEK / USD	SEK	-	27,350	-	-
CNH / USD	CNH	2,800	-	-	-
Buy covers					
GBP / USD	GBP	19,000	12,000	(1)	-
USD / INR	USD	-	96,875	-	(33)
AUD / USD	AUD	-	2,000	-	-
NOK / USD	NOK	27,000	-	-	-
				28	**36**

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

The following table presents the aggregate notional principal amounts of the outstanding forward options together with the related balance sheet exposure:

	Notional currency	Notional principal amounts (amount in thousands)		Balance sheet exposure Asset (Liability) (₹)	
		31 March 2018	31 March 2017	31 March 2018	31 March 2017
Range forward					
USD / INR	USD	1,099,485	844,290	185	336
GBP / INR	GBP	60,800	96,820	(6)	91
EUR / INR	EUR	110,380	116,400	(16)	91
AUD / INR	AUD	10,580	38,960	2	8
EUR / USD	EUR	3,500	-	-	-
PUT					
USD / INR	USD	50,000	-	1	-
Seagull					
USD / INR	USD	14,750	-	-	-
GBP / INR	GBP	6,000	-	-	-
EUR / INR	EUR	14,200	11,170	-	1
				166	**527**

The notional amount is a key element of derivative financial instrument agreements. However, notional amounts do not represent the amount exchanged by counterparties and do not measure the Company's exposure to credit risk as these contracts are settled at their fair values at the maturity date.

The balance sheet exposure denotes the fair values of these contracts at the reporting date and is presented in ₹crores. The Company presents its foreign exchange derivative instruments on a net basis in the financial statements due to the right of offset by its individual counterparties under master netting agreements.

The fair value of the derivative instruments presented on a gross basis as at each date indicated below is as follows:

	As at 31 March 2018				
	Financial assets		Financial liabilities		Total fair value
	Current	Non current	Current	Non current	
Derivatives designated as hedging instruments					
Foreign exchange contracts in an asset position	197	44	19	21	281
Foreign exchange contracts in a liability position	(19)	(21)	(19)	(22)	(81)
Net asset (liability)	178	23	-	(1)	200
Derivatives not designated as hedging instruments					
Foreign exchange contracts in an asset position	4	-	4	-	8
Foreign exchange contracts in a liability position	(4)	-	(10)	-	(14)
Net asset (liability)	**-**	**-**	**(6)**	**-**	**(6)**
Total derivatives at fair value	**178**	**23**	**(6)**	**(1)**	**194**

	As at 31 March 2017				
	Financial assets		Financial liabilities		Total fair value
	Current	Non current	Current	Non current	
Derivatives designated as hedging instruments					
Foreign exchange contracts in an asset position	457	131	-	-	588
Foreign exchange contracts in a liability position	-	-	-	-	-
Net asset (liability)	457	131	-	-	588
Derivatives not designated as hedging instruments					
Foreign exchange contracts in an asset position	9	-	2	-	11
Foreign exchange contracts in a liability position	(2)	-	(34)	-	(36)
Net asset (liability)	7	-	(32)	-	(25)
Total derivatives at fair value	**464**	**131**	**(32)**	**-**	**563**

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

The following tables set forth the fair value of derivative instruments included in the balance sheets as at each date indicated:

	As at	
	31 March 2018	31 March 2017
Derivatives designated as hedging instruments		
Unrealized gain on financial instruments classified under current assets	178	457
Unrealized gain on financial instruments classified under non-current assets	23	131
Unrealized loss on financial instruments classified under current liabilities	-	-
Unrealized loss on financial instruments classified under non-current liabilities	(1)	-
	200	588
Derivatives not designated as hedging instruments		
Unrealized gain on financial instruments classified under current assets	-	7
Unrealized loss on financial instruments classified under current liabilities	(6)	(32)
	(6)	(25)

Maturity profile of derivative liabilities based on contractual payments is as below:

	As at	
	31 March 2018	31 March 2017
Within one year	6	32
One to two years	-	-
Two to three years	1	-
	7	32

The following table summarizes the activities in the statement of profit and loss:

	Year ended	
	31 March 2018	31 March 2017
Derivatives in hedging relationships		
Effective portion of gain or (loss) recognized in OCI on derivatives	131	677
Effective portion of gain or (loss) reclassified from OCI into statement of profit and loss as "revenue"	517	131
Derivatives not in hedging relationships		
Gain or (loss) recognized into statement of profit and loss as "exchange differences"	18	11

The following table summarizes the activity in the accumulated 'Other comprehensive income' within equity related to all derivatives classified as cash flow hedges:

	Year ended	
	31 March 2018	31 March 2017
Gain as at the beginning of the year	556	10
Unrealized gain on cash flow hedging derivatives during the year	131	677
Business combination	-	1
Net loss (gain) reclassified into net income on occurrence of hedged transactions	(517)	(132)
Gain as at the end of the year	170	556
Deferred tax	(33)	(111)
Cash flow hedging reserve (net of tax)	137	445

The estimated net amount of existing gain that is expected to be reclassified into the statement of profit and loss within the next twelve months is ₹156 crores (31 March 2017, gain of ₹435 crores).

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

(b) Financial assets and liabilities

The carrying value of financial instruments by categories as at 31 March 2018 is as follows:

	Fair value through profit and loss	Fair value through other comprehensive income	Amortized cost	Total carrying value
Financial assets				
Investments (other than in subsidiary)	2,130	260	-	2,390
Trade receivables	-	-	5,427	5,427
Cash and cash equivalents	-	-	210	210
Other bank balances	-	-	2,115	2,115
Loans	-	-	3,673	3,673
Others (refer note 3.6)	-	201	1,505	1,706
Total	2,130	461	12,930	15,521
Financial liabilities				
Borrowings	-	-	33	33
Trade payables	-	-	544	544
Others (refer note 3.14)	6	1	2,860	2,867
Total	6	1	3,437	3,444

The carrying value of financial instruments by categories as at 31 March 2017 is as follows:

	Fair value through profit and loss	Fair value through other comprehensive income	Amortized cost	Total carrying value
Financial assets				
Investments (other than in subsidiary)	914	-	-	914
Trade receivables	-	-	4,418	4,418
Cash and cash equivalents	-	-	352	352
Other bank balances	-	-	7,610	7,610
Loans	-	-	2,543	2,543
Others (refer note 3.6)	7	588	1,110	1,705
Total	921	588	16,033	17,542
Financial liabilities				
Borrowings	-	-	31	31
Trade payables	-	-	485	485
Others (refer note 3.14)	32	-	3,979	4,011
Total	32	-	4,495	4,527

Fair value hierarchy

The assets and liabilities measured at fair value on a recurring basis as at 31 March 2018 and the basis for that measurement is as below:

	Fair value	Level 1 inputs	Level 2 inputs	Level 3 inputs
Assets				
Investments carried at fair value through profit and loss	2,130	2,130	-	-
Investments carried at fair value through other comprehensive income	260	260	-	-
Unrealized gain on derivative financial instruments	201	-	201	-
Liabilities				
Unrealized loss on derivative financial instruments	7	-	7	-

There have been no transfers between Level 1 and Level 2 during the year.

The following table discloses the assets and liabilities measured at fair value on a recurring basis as at 31 March 2017 and the basis for that measurement:

	Fair value	Level 1 inputs	Level 2 inputs	Level 3 inputs
Assets				
Investments carried at fair value through profit and loss	914	914	-	-
Unrealized gain on derivative financial instruments	595	-	595	-
Liabilities				
Unrealized loss on derivative financial instruments	32	-	32	-

There have been no transfers between Level 1 and Level 2 during the year.

Valuation methodologies

Investments: The Company's investments consist primarily of investment in debt linked mutual funds which are classified as fair value through profit and loss are determined using quoted prices for identical assets or liabilities in active markets and are classified as Level 1.

Quoted market prices in active markets are available for investments in securities and, as such, these investments are classified within Level 1.

Derivative financial instruments: The Company's derivative financial instruments consist of foreign currency forward exchange contracts. Fair values for derivative financial instruments are based on broker quotations and are classified as Level 2.

The Company assessed that fair value of cash and short-term deposits, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(c) Financial risk management

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

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

Market risk

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

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

(i) Foreign currency risk

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

The exchange rate risk primarily arises from assets and liabilities denominated in currencies other than the functional currency of the respective branches and foreign currency forecasted revenue and cash flows. A significant portion of the Company revenue is in US Dollar, Pound Sterling (GBP) and Euro while a large portion of costs are in Indian rupees. The fluctuation in exchange rates in respect to the Indian rupee may have potential impact on the statement of profit and loss and other comprehensive income and equity.

To mitigate the foreign currency risk the Company uses derivatives as 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.

Appreciation / depreciation of 1% in respective foreign currencies with respect to functional currency of the Company and its branches would result in decrease / increase in the Company's profit before tax by immaterial amount for the year ended 31 March 2018.

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

Non-derivative foreign currency exposure as of 31 March 2018 and 31 March 2017 in major currencies is as below:

	Net financial assets		Net financial liabilities	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
USD / INR	3,652	3,278	1,366	2,215
GBP / INR	297	177	44	186
EURO / INR	404	372	158	111

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's investments are primarily in fixed rate interest bearing investments. Hence the Company is not significantly exposed to interest rate risk.

Credit risk

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash and bank balances, inter-corporate deposits, trade receivables, unbilled revenue, finance lease receivables, investment securities and derivative instruments. The cash resources of the Company are invested with mutual funds, banks, financial institutions and corporations after an evaluation of the credit risk. By their nature, all such financial instruments involve risks, including the credit risk of non-performance by counterparties.

The customers of the Company are primarily corporations based in the United States of America and Europe and accordingly, trade receivables and finance lease receivables are concentrated in the respective countries. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivables.

The allowance for lifetime expected credit loss on customer balances is as below:

	As at	
	31 March 2018	31 March 2017
Balance at the beginning of the year	120	144
Additional provision during the year	55	89
Deductions on account of write offs and collections	(46)	(110)
Effect of exchange rates changes	1	(3)
Balance at the end of the year	130	120

Liquidity risk

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

Maturity profile of the Company's non-derivative long term financial liabilities based on contractual payments is as below:

	Year 1 (Current)	Year 2	Year 3	Year 4-5	Total
As at 31 March 2018					
Borrowings	15	15	11	7	48
Employee bonuses accrued	314	1	-	-	315
Total	**329**	**16**	**11**	**7**	**363**
As at 31 March 2017					
Borrowings	14	12	11	9	46
Employee bonuses accrued	289	-	7	-	296
Total	**303**	**12**	**18**	**9**	**342**

3.30 Employee benefits

The Company has calculated the various benefits provided to employees as given 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	
	31 March 2018	31 March 2017
Superannuation Fund	3	3
Employer's contribution to Employees State Insurance	14	4
Employer's contribution to Employee's Pension Scheme	95	84
Total	**112**	**91**

B. Defined benefit plans
a) Gratuity
b) Employer's contribution to provident fund

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

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

Statement of profit and loss

	Year ended	
	31 March 2018	31 March 2017
Current Service cost	75	63
Past service cost	11	-
Interest cost (net)	21	19
Net benefit expense	**107**	**82**

Balance Sheet

	As at	
	31 March 2018	31 March 2017
Defined benefit obligations	394	343
Fair value of plan assets	14	16
	380	327
Less: Unrecognized past service cost	-	-
Net plan liability	**380**	**327**
Current defined benefit obligations	63	50
Non-current defined benefit obligations	317	277

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

	Year ended	
	31 March 2018	31 March 2017
Opening defined benefit obligations	343	268
Current service cost	75	63
Past Service Cost	11	-
Interest cost	22	20
Re-measurement gains (losses) in OCI		-
Actuarial changes arising from changes in financial assumptions	(18)	18
Experience adjustments	(16)	(12)
Business combinations	-	17
Benefits paid	(23)	(31)
Closing defined benefit obligations	**394**	**343**

Changes in fair value of the plan assets are as follows:

	Year ended	
	31 March 2018	31 March 2017
Opening fair value of plan assets	16	-
Business combinations	-	14
Interest income	1	1
Contributions	-	3
Re-measurement gains (losses) in OCI		
Return on plan assets, excluding amount recognized in interest income	(1)	(1)
Benefits paid	(2)	(1)
Closing fair value of plan assets	**14**	**16**

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity for the Company's plans are shown below:

	As at	
	31 March 2018	31 March 2017
Discount rate	7.60%	6.90%
Estimated Rate of salary increases	7.00%	7.00%
Employee Turnover	22.00%	23.00%
Expected rate of return on assets	7.60%	6.90%

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.

Discount rate and future salary escalation rate are the key actuarial assumptions to which the defined benefit obligations are particularly sensitive. The following table summarizes the impact on defined benefit obligations as at 31 March 2018 arising due to an increase / decrease in key actuarial assumptions by 50 basis points:

	Discount rate	Salary escalation rate
Impact of increase	(11)	11
Impact of decrease	12	(11)

The sensitivity analysis presented may not be representative of the actual change in the defined benefit obligations as sensitivities have been calculated to show the movement in defined benefit obligations in isolation and assuming there are no other changes in market conditions. There have been no changes from the previous years in the methods and assumptions used in preparing the sensitivity analysis.

The defined benefit obligations are expected to mature after 31 March 2018 as follows:

Year ending 31 March,	Cash flows
- 2019	68
- 2020	72
- 2021	81
- 2022	91
- 2023	96
- Thereafter	1,667

The weighted average duration of the payment of these cash flows is 6.02 years.

Employer's contribution to provident fund

The actuary has provided a valuation and based on the assumptions mentioned below, there is no shortfall as at 31 March 2018 and 31 March 2017.

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

	31 March 2018	31 March 2017
Plan assets at the year end	2,738	2,410
Present value of benefit obligation at year end	2,738	2,410
Asset recognized in balance sheet	-	-

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

	31 March 2018	31 March 2017
Government of India (GOI) bond yield	7.60%	6.90%
Remaining term of maturity	8.51 years	8.61 years
Expected guaranteed interest rate	8.55%	8.65%

During the year ended 31 March 2018, the Company has contributed ₹121 crores (31 March 2017, ₹108 crores) towards employer's contribution to provident fund.

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

3.31 Related party transactions

a) Related parties where control exists

List of subsidiaries as at 31 March 2018 and 31 March 2017 is as below:

S. No.	Name of the Subsidiaries	Country of Incorporation	Percentage holding as at	
			31 March 2018	31 March 2017
Direct subsidiaries				
1	HCL Comnet Systems & Services Limited	India	100%	100%
2	HCL Comnet Limited	India	100%	100%
3	HCL Bermuda Limited	Bermuda	100%	100%
4	HCL Technologies (Shanghai) Limited	China	100%	100%
5	HCL Eagle Limited##	India	100%	92%
6	HCL Foundation $ (Company incorporated under Section 8 of the Companies Act, 2013)	India	100%	100%
7	HCL Singapore Pte. Limited	Singapore	100%	100%
8	Geometric Americas, Inc.	USA	100%	100%
9	Geometric Asia Pacific Pte. Ltd	Singapore	100%	100%
10	Geometric Europe GmbH	Germany	100%	100%
Step down subsidiaries of direct subsidiaries				
11	HCL Great Britain Limited	UK	100%	100%
12	HCL (Netherlands) BV	Netherlands	100%	100%
13	HCL Belgium NV	Belgium	100%	100%
14	HCL Sweden AB	Sweden	100%	100%
15	HCL GmbH	Germany	100%	100%
16	HCL Italy SRL	Italy	100%	100%
17	HCL Australia Services Pty. Limited	Australia	100%	100%
18	HCL (New Zealand) Limited	New Zealand	100%	100%
19	HCL Hong Kong SAR Limited	Hong Kong	100%	100%
20	HCL Japan Limited	Japan	100%	100%
21	HCL America Inc.	USA	100%	100%
22	HCL Technologies Austria GmbH	Austria	100%	100%
23	HCL Global Processing Services Limited	India	100%	100%
24	HCL Technologies Solutions Limited	India	100%	100%
25	HCL Poland Sp.z.o.o	Poland	100%	100%
26	HCL EAS Limited	UK	100%	100%
27	HCL Insurance BPO Services Limited	UK	100%	100%
28	HCL Expense Management Services Inc. !	USA	-	100%
29	Axon Group Limited	UK	100%	100%
30	HCL Axon Technologies Inc.	Canada	100%	100%
31	HCL Technologies Solutions GmbH	Switzerland	100%	100%
32	Axon Solutions Pty. Limited	Australia	100%	100%
33	Axon Solutions Inc. *	USA	-	100%
34	Axon Solutions Limited	UK	100%	100%
35	HCL Axon Malaysia Sdn. Bhd.	Malaysia	100%	100%
36	Axon Solutions Singapore Pte. Limited	Singapore	100%	100%
37	Axon Solutions (Shanghai) Co. Limited	China	100%	100%
38	HCL Axon (Proprietary) Limited	South Africa	100%	100%
39	HCL Argentina s.a.	Argentina	100%	100%
40	HCL Mexico S. de R.L.	Mexico	100%	100%
41	HCL Technologies Romania s.r.l.	Romania	100%	100%
42	HCL Hungary Kft	Hungary	100%	100%
43	HCL Latin America Holding LLC	USA	100%	100%
44	HCL (Brazil) Technologia da informacao Ltda.	Brazil	100%	100%

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

S. No.	Name of the Subsidiaries	Country of Incorporation	Percentage holding as at	
			31 March 2018	31 March 2017
45	HCL Technologies Denmark Aps	Denmark	100%	100%
46	HCL Technologies Norway AS	Norway	100%	100%
47	PT. HCL Technologies Indonesia Limited	Indonesia	100%	100%
48	HCL Technologies Philippines Inc.	Philippines	100%	100%
49	HCL Technologies South Africa (Proprietary) Limited	South Africa	100%	100%
50	HCL Arabia LLC	Saudi Arabia	100%	100%
51	HCL Technologies France	France	100%	100%
52	Filial Espanola De HCL Technologies S.L	Spain	100%	100%
53	Anzospan Investments Pty Limited	South Africa	100%	100%
54	HCL Investments (UK) Limited	UK	100%	100%
55	Statestreet HCL Holding UK Limited **	UK	100%	100%
56	Statestreet HCL Services (Phillipines) Inc. **	Philippines	100%	100%
57	Statestreet HCL Services (India) Private Limited**	India	100%	100%
58	HCL America Solutions Inc.	USA	100%	100%
59	HCL Technologies Chile Spa	Chile	100%	100%
60	HCL Technologies UK Limited	UK	100%	100%
61	HCL Technologies B.V.	Netherlands	100%	100%
62	HCL (Ireland) Information Systems Limited	Ireland	100%	100%
63	HCL Technologies Germany GmbH	Germany	100%	100%
64	HCL Technologies Belgium BVBA	Belgium	100%	100%
65	HCL Technologies Sweden AB	Sweden	100%	100%
66	HCL Technologies Finland Oy	Finland	100%	100%
67	HCL Technologies Italy S.P.A	Italy	100%	100%
68	HCL Technologies Columbia S.A.S	Columbia	100%	100%
69	HCL Technologies Middle East FZ-LLC	UAE	100%	100%
70	HCL Istanbul Bilisim Teknolojileri Limited Sirketi	Turkey	100%	100%
71	HCL Technologies Greece Single Member P.C	Greece	100%	100%
72	HCL Technologies S.A.	Venezuela	100%	100%
73	HCL Technologies Beijing Co., Ltd	China	100%	100%
74	HCL Technologies Luxembourg S.a r.l	Luxembourg	100%	100%
75	HCL Technologies Egypt Limited	Egypt	100%	100%
76	HCL Technologies Estonia OÜ	Estonia	100%	100%
77	HCL Technologies (Thailand) Ltd.	Thailand	100%	100%
78	HCL Technologies Czech Republic s.r.o.	Czech Republic	100%	100%
79	HCL Muscat Technologies L.L.C.	Oman	100%	100%
80	CeleritiFintech Limited	UK	-	51%
81	CeleritiFintech USA, Inc.	USA	-	51%
82	CeleritiFintech Australia Pty Limited	Australia	-	51%
83	CeleritiFintech Germany GmbH	Germany	-	51%
84	CeleritiFintech Italy S.R.L.	Italy	-	51%
85	Concept2Silicon Systems Private Limited	India	100%	100%
86	Powerteam, LLC	USA	100%	100%
87	Point to Point Limited	UK	100%	100%
88	Point to Point Products Limited	UK	100%	100%
89	HCL Technologies Lithuania UAB	Lithuania	100%	100%
90	HCL Technologies (Taiwan) Ltd.	China	100%	100%
91	Geometric China, Inc.	China	100%	100%
92	Geometric SRL	Romania	100%	100%
93	Geometric SAS	France	100%	100%
94	Butler America Aerospace LLC	USA	100%	100%
95	HCL Mortgage Holding LLC ^	USA	100%	-
96	Urban Fulfillment Services LLC #	USA	100%	-

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

S. No.	Name of the Subsidiaries	Country of Incorporation	Percentage holding as at	
			31 March 2018	31 March 2017
97	ETL Factory Limited #	Scotland	100%	-
98	HCL Technologies Corporate Services Limited^	UK	100%	-
99	HCL Training & Staffing Services Private Limited@	India	100%	100%

$ The objective of the parent is not to obtain economic benefit from the Company, it has not been considered for the purpose of preparation of consolidated financial statements.
! *Dissolved during the year*
** Merged during the year with "HCL America Inc."*
*** The Group has equity interest of 49% and 100% dividend rights and control*
^ *Incorporated during the year*
# *Acquired during the year*
@ During the year, this entity becomes step down subsidiary of the company. Earlier, it was direct subsidiary of the company.
Change in shareholding from 92% to 100% is due to discontinuation of JV agreement.

Employee benefit trusts
Hindustan Instruments Limited Employees Provident Fund Trust
HCL Consulting Limited Employees Superannuation Scheme
HCL Comnet System and Services Limited Employees Provident Fund Trust.
Geometric Gratuity Trust
HCL South Africa Share Ownership Trust
HCL Technologies Stock Options Trust

b) Related parties with whom transactions have taken place during the current year
Key Management Personnel
Mr. Shiv Nadar – Chairman and Chief Strategy Officer
Mr. C. Vijayakumar – President and Chief Executive Officer
Mr. Anil Chanana – Chief Financial Officer
Mr. Manish Anand – Company Secretary
Mr. Anant Gupta – Ex - President and Chief Executive Officer

Non-Executive & Independent Directors
Mr. Ramanathan Srinivasan
Mr. Keki Mistry
Ms. Robin Ann Abrams
Dr. Sosale Shankara Sastry
Mr. Subramanian Madhavan
Mr. Thomas Sieber
Ms. Nishi Vasudeva
Mr. Deepak Kapoor

Non-Executive & Non-Independent Directors
Ms. Roshni Nadar Malhotra
Mr. Sudhindar Krishan Khanna

Associates
CeleritiFintech Services Limited (and its subsidiaries) - ceased to be associate w.e.f. 30 September 2017

Others (Significant influence)
HCL Infosystems Limited
HCL Avitas Private Limited
Vama Sundari Investments (Delhi) Private Limited
HCL Corporation Private Limited
SSN Investments (Pondi) Private Limited
Naksha Enterprises Private Limited
HCL Services Limited

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

HCL TalentCare Pvt. Ltd.
HCL Insys. Pte. Limited, Singapore
Easyaccess Financial Services Limited
HCL IT City Lucknow Private Limited
HCL Infotech Limited
Shiv Nadar University
HCL Holding Private Limited

Transactions with related parties during the normal course of business	Subsidiaries		Significant influence	
	Year ended		Year ended	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Revenues	12,862	11,510	12	5
Other expenses (refer below note)	2,097	1,566	179	61
Interest expense	-	23	-	-
Dividend paid	-	-	993	2,014
Corporate guarantee fees	1	2	-	-
Other income	-	17	-	-
Dividend income	16	26	-	-
Investments	-	86	-	-
Receipt for use of facilities	3	4	-	-
Purchase of capital equipments	-	-	10	1
Loan extended	-	10	-	-
Proceeds from loan extended	-	32	-	-

Note: Other expenses include outsourcing cost and cost of goods sold also.

Transactions with Key Managerial personnel during the year	Year ended	
	31 March 2018	31 March 2017
Compensation		
- Short-term employee benefits from company	16	23
- Short-term employee benefits from subsidiaries	23	14
- Other long-term employee benefits from subsidiaries	16	
Interest received by company on loan provided	-	1
Share-based payment		
- Exercised - No.'s (options)	-	2,860
- Exercise price - ₹	-	16
Dividend paid	-	1

Transactions with Directors during the year	Year ended	
	31 March 2018	31 March 2017
Commission & other benefits to Directors (includes sitting fees)	8	8

Outstanding balances	Subsidiaries		Significant influence	
	As at		As at	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Trade receivables	3,565	2,775	5	6
Unbilled revenue	729	461	-	1
Unsecured loans*	30	25	-	-
Other assets	63	58	19	14
Trade payables	451	381	2	1
Revenue received in advance	320	399	14	21

Notes to financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

Outstanding balances	Subsidiaries		Significant influence	
	As at		As at	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Capital accounts payables (including supplier credit)	-	-	2	-
Guarantee outstanding**	471	625	-	-
Liabilities for expense	303	590	20	4
Supplier credit	-	-	123	18

* Unsecured loan includes loan outstanding with Geometric Europe GmbH which is given for working capital management and repayable on demand.

**** Detail of guarantee outstanding**

	31 March 2018	31 March 2017
HCL America Inc.	130	130
HCL Bermuda Limited	-	81
HCL Insurance BPO Services Ltd.	321	339
Others	20	75
	471	625

3.32 Research and development expenditure

	Year ended	
	31 March 2018	31 March 2017
Revenue	128	115
Capital	-	-
	128	**115**

3.33 Commitments and contingent liabilities

	As at	
	31 March 2018	31 March 2017
i) Capital and other commitments		
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) [includes related party ₹1 crore (31 March 2017, ₹4 crores)]	201	407
ii) Contingent liabilities		
Others	1	1
	202	**408**

The Company is involved in various lawsuits, claims and proceedings that arise in the ordinary course of business, the outcome of which is inherently uncertain. Some of these matters include speculative and frivolous claims for substantial or indeterminate amounts of damages. The Company records a liability when it is both probable that a loss has been incurred and the amount can be reasonably estimated. Significant judgment is required to determine both probability and the estimated amount. The Company reviews these provisions at least quarterly and adjusts these provisions accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and updated information. The Company believes that the amount or estimable range of reasonably possible loss, will not, either individually or in the aggregate, have a material adverse effect on its business, financial position, results of the Company, or cash flows with respect to loss contingencies for legal and other contingencies as at 31 March 2018.

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 ₹471 crores (31 March 2017, ₹625 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.

The Company is required to comply with the transfer pricing regulations, which are contemporaneous in nature. The Company appoints independent consultant annually for conducting transfer pricing studies to determine whether transactions with associate enterprises undertaken during the financial year, are on an arm's length basis. Adjustments, if any, arising from the transfer pricing studies will be accounted for when the study is completed for the current financial year. The management is of the opinion that its transactions with associates are at arm's length so that the outcome of the studies to corroborate compliance with legislation will not have any material adverse impact on the financial statements.

3.34 Payment to auditors

	Year ended	
	31 March 2018	31 March 2017
Audit fees	5	4
	5	**4**

3.35 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 31 March 2018		For the year ended 31 March 2017	
	Principal	Interest	Principal	Interest
Amount due to vendors	-	-	1	-
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	-	-	-	-

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

3.36 Corporate social responsibility

As required by the Companies Act, 2013, the gross amount required to be spent by the Company on CSR activities is ₹134 crores (31 March 2017, ₹129 crores) and the amount spent during the year is ₹91 crores (31 March 2017, ₹40 crores).

3.37 Segment Reporting

As per Ind AS 108 'Operating Segments', the Company has disclosed the segment information only as part of the consolidated financial results.

3.38 Previous year comparatives

The Company has changed its presentation from "₹ in crores upto two decimals" to "₹ in crores" and accordingly, amounts less than ₹0.50 crore are rounded off to Nil.

As per our report of even date

FOR S. R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E / E300005
Chartered Accountants

per Nilangshu Katriar
Partner
Membership Number: 58814

Gurgaon, India
2 May 2018

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

Shiv Nadar
Chairman and
Chief Strategy Officer

S. Madhavan
Director

C. Vijayakumar
President and
Chief Executive Officer

Anil Chanana
Chief Financial Officer

Prahlad Rai Bansal
Deputy Chief Financial Officer

Manish Anand
Company Secretary

Noida (UP), India
2 May 2018

Consolidated
Ind AS
Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of HCL Technologies Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of HCL Technologies Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates, comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its Associates in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and for preventing and detecting frauds and other irregularities; the 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 controls, 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, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the 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 consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 consolidated state of affairs of the Group and its associates as at March 31, 2018, their consolidated profit including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;

(c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standard)Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and on the basis of written representations received from directors of its subsidiaries incorporated in India none of the directors of the Group's companies, incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India, refer to our separate report in "Annexure 1" to this report;

(g) 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 consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in the consolidated Ind AS financial statements;

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2018. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiaries incorporated in India during the year ended March 31, 2018.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E / E300005

per Nilangshu Katriar
Partner
Membership Number: 58814

Place of Signature: Gurgaon
Date: May 2, 2018

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HCL TECHNOLOGIES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of HCL Technologies Limited as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of HCL Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E / E300005

per Nilangshu Katriar
Partner
Membership Number: 58814

Place of Signature: Gurgaon
Date: May 2, 2018

Consolidated Balance Sheet as at 31 March 2018

(All amounts in crores of ₹)

		Note No.	As at 31 March 2018	As at 31 March 2017
I.	**ASSETS**			
	(1) Non-current assets			
	(a) Property, plant and equipment	3.1	4,560	3,998
	(b) Capital work in progress		320	448
	(c) Goodwill	3.2	6,799	6,504
	(d) Other intangible assets	3.3	7,394	4,733
	(e) Investment in an associate	3.4	-	126
	(f) Financial assets			
	(i) Investments	3.4	303	34
	(ii) Loans	3.5	235	-
	(iii) Others	3.6	857	710
	(g) Deferred tax assets (net)	3.25	1,837	1,652
	(h) Other non-current assets	3.7	1,160	1,094
	(2) Current assets			
	(a) Inventories	3.8	172	276
	(b) Financial assets			
	(i) Investments	3.4	2,357	1,146
	(ii) Trade receivables	3.9	9,639	8,301
	(iii) Cash and cash equivalents	3.10(a)	1,699	1,321
	(iv) Other bank balances	3.10(b)	2,319	7,723
	(v) Loans	3.5	3,410	2,521
	(vi) Others	3.6	3,456	3,407
	(c) Other current assets	3.11	1,506	1,768
	TOTAL ASSETS		**48,023**	**45,762**
II.	**EQUITY**			
	(a) Equity share capital	3.12	278	285
	(b) Other equity		36,108	32,664
	Equity attributable to shareholders of the Company		36,386	32,949
	Non controlling interest		-	173
	TOTAL EQUITY		36,386	33,122
III.	**LIABILITIES**			
	(1) Non - current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	3.13	338	383
	(ii) Others	3.14	246	25
	(b) Provisions	3.15	700	696
	(c) Deferred tax liabilities (net)	3.25	34	-
	(d) Other non-current liabilities	3.16	212	201
	(2) Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	3.13	42	55
	(ii) Trade payables	3.17	918	801
	(iii) Others	3.14	6,606	7,545
	(b) Other current liabilities	3.18	1,325	1,722
	(c) Provisions	3.15	530	473
	(d) Current tax liabilities (net)		686	739
	TOTAL EQUITY AND LIABILITIES		**48,023**	**45,762**
Summary of significant accounting policies		1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR S. R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E / E300005
Chartered Accountants

per Nilangshu Katriar
Partner
Membership Number: 58814

Gurgaon, India
2 May 2018

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

Shiv Nadar
Chairman and
Chief Strategy Officer

S. Madhavan
Director

C. Vijayakumar
President and
Chief Executive Officer

Anil Chanana
Chief Financial Officer

Prahlad Rai Bansal
Deputy Chief Financial Officer

Manish Anand
Company Secretary

Noida (UP), India
2 May 2018

HCL

Consolidated Statement of Profit and Loss for the year ended 31 March 2018

(All amounts in crores of ₹)

		Note No.	Year ended 31 March 2018	Year ended 31 March 2017
I	**Revenue**			
	Revenue from operations	3.19	50,569	47,568
	Other income	3.20	1,217	1,073
	Total income		**51,786**	**48,641**
II	**Expenses**			
	Purchase of stock-in-trade		1,251	826
	Changes in inventories of stock-in-trade	3.21	104	(11)
	Employee benefits expense	3.22	24,729	22,866
	Finance costs	3.23	69	89
	Depreciation and amortization expense	3.1 & 3.3	1,383	828
	Outsourcing costs		8,620	8,666
	Other expenses	3.24	4,619	4,837
	Total expenses		**40,775**	**38,101**
III	**Profit before share of profit of associates and tax**		**11,011**	**10,540**
IV	Share of profit of associates		13	2
V	**Profit before tax**		**11,024**	**10,542**
VI	**Tax expense**	3.25		
	Current tax		2,386	1,885
	Deferred tax charge (credit)		(84)	51
	Total tax expense		2,302	1,936
VII	**Profit for the year**		**8,722**	**8,606**
VIII	**Other comprehensive income**	3.26		
(A)	(i) Items that will not be reclassified to statement of profit and loss		34	(7)
	(ii) Income tax on items that will not be reclassified to statement of profit and loss		(7)	1
(B)	(i) Items that will be reclassified subsequently to statement of profit and loss		155	(186)
	(ii) Income tax on items that will be reclassified subsequently to statement of profit and loss		78	(109)
IX	**Total other comprehensive income**		**260**	**(301)**
X	**Total comprehensive income for the year**		**8,982**	**8,305**
	Profit for the year attributable to			
	Shareholders of the Company		8,721	8,606
	Non-controlling interest		1	-
			8,722	8,606
	Total comprehensive income for the year attributable to			
	Shareholders of the Company		8,981	8,343
	Non-controlling interest		1	(38)
			8,982	8,305
	Earnings per equity share of ₹2 each	3.27		
	Basic (in ₹)		62.23	60.33
	Diluted (in ₹)		62.19	60.27
Summary of significant accounting policies		1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR S. R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E / E300005
Chartered Accountants

per Nilangshu Katriar
Partner
Membership Number: 58814

Gurgaon, India
2 May 2018

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

Shiv Nadar
Chairman and
Chief Strategy Officer

S. Madhavan
Director

C. Vijayakumar
President and
Chief Executive Officer

Anil Chanana
Chief Financial Officer

Prahlad Rai Bansal
Deputy Chief Financial Officer

Manish Anand
Company Secretary

Noida (UP), India
2 May 2018

Consolidated Statement of Changes in Equity for the year ended 31 March 2018

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

	Equity share capital		Other equity										
			Reserves and Surplus						Other comprehensive income		Attributable to Shareholders of the Company	Non Controlling Interests	Total Equity
	Shares	Share capital	Retained earnings	General Reserve	Securities premium account	Capital redemption reserve	Share based payment reserve	Special economic zone re-investment reserve *	Foreign currency translation reserve	Cash flow hedging reserve			
Balance as at 1 April 2016	1,410,381,314	282	20,692	2,859	1,963	45	38	-	1,504	8	27,109	211	27,320
Profit for the year	-	-	8,606	-	-	-	-	-	-	-	8,606	-	8,606
Other comprehensive income (refer note 3.26)	-	-	(6)	-	-	-	-	-	(694)	437	(263)	(38)	(301)
Total comprehensive income for the year	-	-	8,600	-	-	-	-	-	(694)	437	8,343	(38)	8,305
Dividend of ₹24 per share (including tax on dividend of ₹683 crores)	-	-	(4,069)	-	-	-	-	-	-	-	(4,069)	-	(4,069)
Shares issued for consideration other than cash on acquisition of business [refer note 2(b)(i)]	15,563,430	3	-	-	1,264	-	-	-	-	-	1,264	-	1,264
Shares issued for exercised options	838,680	-	-	-	17	-	(17)	-	-	-	-	-	-
Excess tax benefit from share-based payments	-	-	17	-	-	-	-	-	-	-	17	-	17
Balance as at 31 March 2017	1,426,783,424	285	25,240	2,859	3,244	45	21	-	810	445	32,664	173	32,837
Balance as at 1 April 2017	1,426,783,424	285	25,240	2,859	3,244	45	21	-	810	445	32,664	173	32,837
Profit for the year	-	-	8,721	-	-	-	-	-	-	-	8,721	-	8,721
Other comprehensive income (refer note 3.26)	-	-	27	-	-	-	-	-	541	(308)	260	-	260
Total comprehensive income for the year	-	-	8,748	-	-	-	-	-	541	(308)	8,981	-	8,981
Dividend of ₹12 per share (including tax on dividend of ₹340 crores)	-	-	(2,032)	-	-	-	-	-	-	-	(2,032)	-	(2,032)
Buyback of equity shares	(35,000,000)	(7)	-	(252)	(3,248)	7	-	-	-	-	(3,493)	-	(3,493)
Expenses on buyback of equity shares	-	-	(14)	-	-	-	-	-	-	-	(14)	-	(14)
Transfer to special economic zone re-investment reserve	-	-	(310)	-	-	-	-	310	-	-	-	-	-
Shares issued for exercised options	462,960	-	-	-	9	-	(9)	-	-	-	-	-	-
Change in non-controlling interest [refer note 2]	-	-	1	-	-	-	-	-	-	-	1	(173)	(172)
Excess tax benefit from share-based payments	-	-	1	-	-	-	-	-	-	-	1	-	1
Balance as at 31 March 2018	1,392,246,384	278	31,634	2,607	5	52	12	310	1,351	137	36,108	-	36,108

* The Company has created SEZ Reinvestment Reserve out of profits of the eligible SEZ Units in the terms of the specific provisions of Section 10AA (1)(ii) of the Income Tax Act, 1961 ("the Act"). The said reserve should be utilized by the Company for acquiring Plant and Machinery in the specified SEZ units for the purpose of its business in the terms of Section 10AA(2) of the Act.

Refer note 1 for summary of significant accounting policies

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 / E300005
Chartered Accountants

per Nilangshu Katriar
Partner
Membership Number: 58814

Gurgaon, India
2 May 2018

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

Shiv Nadar
Chairman and
Chief Strategy Officer

S. Madhavan
Director

C. Vijayakumar
President and
Chief Executive Officer

Anil Chanana
Chief Financial Officer

Prahlad Rai Bansal
Deputy Chief Financial Officer

Manish Anand
Company Secretary

Noida (UP), India
2 May 2018

Consolidated Statement of Cash flows

(All amounts in crores of ₹)

	Year ended 31 March 2018	Year ended 31 March 2017
A. Cash flows from operating activities		
Profit before tax	11,024	10,542
Adjustment for:		
Depreciation and amortization	1,383	828
Interest income	(464)	(800)
Provision for doubtful debts / bad debts written off, net	80	8
Income on investments carried at fair value through profit and loss	(162)	(55)
Income on investments carried at fair value through other comprehensive income	(3)	-
Interest expenses	22	19
Loss (profit) on sale of property, plant and equipment (net)	(1)	6
Share of profit of an associate	(13)	(2)
Other non cash charges (net)	52	135
Operating profit before working capital changes	**11,918**	**10,681**
Movement in working capital		
(Increase) decrease in trade receivables	(1,126)	(743)
(Increase) decrease in inventories	117	(20)
(Increase) decrease in other financial assets and other assets	3	574
Increase (decrease) in trade payables	243	56
Increase (decrease) in provisions, other financial liabilities and other liabilities	(471)	454
Cash generated from operations	**10,684**	**11,002**
Direct taxes paid (net of refunds)	(2,356)	(2,007)
Net cash flow from operating activities (A)	**8,328**	**8,995**
B. Cash flows from investing activities		
Investments in bank deposits	(2,328)	(7,779)
Proceeds from bank deposits on maturity	7,731	8,659
Purchase of investments in securities	(20,027)	(11,666)
Proceeds from sale of investments in securities	18,714	11,210
Investment in equity instruments carried at cost	(3)	(12)
Deposits placed with body corporate	(3,643)	(2,500)
Proceeds from maturity of deposits placed with body corporate	2,500	1,985
Net cash in subsidiaries being disposed off [refer note 2(a)(ii)]	(144)	-
Payments for business acquisitions, net of cash acquired	(107)	(487)
Investment in associates	-	(14)
Investment in limited liability partnership	(2)	(7)
Purchase of property, plant and equipment and intangibles, including capital work in progress and capital advances	(5,344)	(3,921)
Proceeds from sale of property, plant and equipment	23	110
Interest and dividend received	500	854
Taxes paid	(153)	(265)
Net cash flow used in investing activities (B)	**(2,283)**	**(3,833)**

Consolidated Statement of Cash flows
(All amounts in crores of ₹)

	Year ended 31 March 2018	Year ended 31 March 2017
C. Cash flows from financing activities		
Proceeds from long term borrowings	19	31
Repayment of long term borrowings	(134)	(243)
Proceeds from short term borrowings	-	197
Repayment of short term borrowings	(33)	(380)
Payments for deferred consideration on business acquisitions	(16)	(33)
Buyback of equity shares	(3,500)	-
Expenses on buyback of equity shares	(14)	-
Dividend paid	(1,691)	(3,386)
Corporate dividend tax	(340)	(683)
Interest paid	(14)	(19)
Increase (decrease) in principal on finance lease obligations, net	9	(1)
Net cash flow used in financing activities (C)	**(5,714)**	**(4,517)**
Net increase (decrease) in cash and cash equivalents (A+B+C)	331	645
Effect of exchange differences on cash and cash equivalents held in foreign currency	47	(57)
Cash and cash equivalents at the beginning of the year	1,321	733
Cash and cash equivalents at the end of the year as per note 3.10(a)	**1,699**	**1,321**

Notes:

1. Reconciliation of liabilities arising from financing activities

Particulars	As at 31 March 2017	Cash flows	Non cash changes			As at 31 March 2018
			Business combination	Effect of foreign currency translation	Fair value changes	
Long term borrowings (including current maturities)	480	(115)	-	30	-	395
Short term borrowings	55	(33)	-	20	-	42
Deferred consideration	40	(16)	82	2	8	116
	575	**(164)**	**82**	**52**	**8**	**553**

2. The total amount of income taxes paid is ₹2,509 crores (31 March 2017, ₹2,272 crores)
3. Cash and cash equivalents include the following:

Investor education and protection fund-unclaimed dividend *	5	4

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

As per our report of even date

FOR S. R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E / E300005
Chartered Accountants

per Nilangshu Katriar
Partner
Membership Number: 58814

Gurgaon, India
2 May 2018

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

Shiv Nadar
Chairman and
Chief Strategy Officer

S. Madhavan
Director

C. Vijayakumar
President and
Chief Executive Officer

Anil Chanana
Chief Financial Officer

Prahlad Rai Bansal
Deputy Chief Financial Officer

Manish Anand
Company Secretary

Noida (UP), India
2 May 2018

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

ORGANIZATION AND NATURE OF OPERATIONS

HCL Technologies Limited (hereinafter referred to as "the Company" or "the Parent Company") and its subsidiaries (hereinafter collectively referred to as "the Group") are primarily engaged in providing a range of software development services, business process outsourcing services and IT infrastructure services. The Company was incorporated under the provisions of the Companies Act applicable in India in November 1991, having its registered office at 806, Siddharth, 96, Nehru Place, New Delhi-110019. The Group leverages its offshore infrastructure and professionals to deliver solutions across select verticals including financial services, manufacturing (automotive, aerospace, Hi-tech, semi-conductors), life sciences & healthcare, public services (oil and gas, energy and utility, travel, transport and logistics), retail and consumer products, telecom, media, publishing and entertainment.

The consolidated financial statements for the year ended 31 March 2018 were approved and authorized for issue by the Board of Directors on 2 May 2018.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Basis of preparation*

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

These consolidated financial statements have been prepared under the historical cost convention on an accrual and going concern basis, except for the following assets and liabilities which have been measured at fair value:

a) Derivative financial instruments,
b) Certain financial assets and liabilities (refer accounting policy regarding financial instruments),

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

The Group uses the Indian rupee ('₹') as its reporting currency.

(b) *Basis of Consolidation*

The consolidated financial statements comprise the financial statements of HCL Technologies Limited, the Parent Company, and its subsidiaries. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Control is achieved when the Group is exposed, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

a) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
b) Exposure, or rights, to variable returns from its involvement with the investee, and
c) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

a) The contractual arrangement with the other vote holders of the investee
b) Rights arising from other contractual arrangements
c) The Group's voting rights and potential voting rights

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The financial statements of the subsidiaries in the Group are added on a line-by-line basis and inter-company balances and transactions including unrealized gain / loss from such transactions, are eliminated upon consolidation. The consolidated financial statements are prepared by applying uniform accounting policies in use by the Group.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not in control or joint control over those policies. The aggregate of the Group's share of profit and loss of an associate is shown on the face of the statement of profit and loss.

(c) ***Use of estimates***

The preparation of consolidated financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and other comprehensive income (OCI) that are reported and disclosed in the consolidated financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Group may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Significant estimates and assumptions are used for, but not limited to, accounting for costs expected to be incurred to complete performance under fixed price projects, allowance for uncollectible accounts receivables, accrual of warranty costs, income taxes, valuation of share-based compensation, future obligations under employee benefit plans, the useful lives of property, plant and equipment, intangible assets, impairment of goodwill, and other contingencies and commitments. Changes in estimates are reflected in the consolidated financial statements in the year in which the changes are made. Actual results could differ from those estimates.

(d) ***Business combinations and goodwill***

Business combinations are accounted for using the acquisition method. The cost of an acquisition is the aggregate of the consideration transferred measured at fair value at the acquisition date and the amount of any non-controlling interest in the acquiree. For each business combination, the Group measures the non-controlling interest in the acquiree at fair value. Acquisition related costs are expensed as incurred.

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

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

(e) ***Foreign currency and translation***

The Group's consolidated financial statements are presented in Indian Rupee (₹), which is also the parent company's functional currency. For each entity, the Group determines the functional currency which is its respective local currency, except for four subsidiaries outside India being investment companies which use the '₹' as their functional currency, and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to the statement of profit and loss reflects the amount that arises from using this method.

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated to the relevant functional currency at exchange rates in effect at the balance sheet date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss. Non-monetary assets

and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of initial transaction. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the year. Revenue, expenses and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

The translation of foreign operations from respective functional currency into INR (the reporting currency) for assets and liabilities is performed using the exchange rates in effect at the balance sheet date, and for revenue, expenses and cash flows is performed using an appropriate daily weighted average exchange rate for the respective years. The exchange differences arising on translation for consolidation are reported as a component of 'other comprehensive income (loss)'. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in the statement of profit and loss.

(f) ***Fair value measurement***

The Group records certain financial assets and liabilities at fair value on a recurring basis. The Group determines fair values based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or most advantageous market for that asset or liability.

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

Level 1 - Quoted inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations, in which all significant inputs are directly or indirectly observable in active markets.

Level 3 - Valuations derived from valuation techniques, in which one or more significant inputs are unobservable inputs which are supported by little or no market activity.

In accordance with Ind AS 113, assets and liabilities are to be measured based on the following valuation techniques:

a) Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
b) Income approach – Converting the future amounts based on market expectations to its present value using the discounting method.
c) Cost approach – Replacement cost method.

Certain assets are measured at fair value on a non-recurring basis. These assets consist primarily of non-financial assets such as goodwill and intangible assets. Goodwill and intangible assets recognized in business combinations are measured at fair value initially and subsequently when there is an indicator of impairment, the impairment is recognized.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant who would use the asset in its highest and best use.

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

(g) ***Revenue recognition***

Contracts involving provision of services

Revenue is recognized when persuasive evidence of an arrangement exists, services have been rendered, the fee is determinable and collectability is reasonably assured. Contracts can be primarily categorized as time-and-material or fixed price contracts.

Time-and-material contracts

Revenue with respect to time-and-material contracts is recognized as the related services are performed.

Fixed Price contracts

Revenue related to contracts providing maintenance and support services, is recognized over the term of the contract where the Group has continuing obligation.

Revenue from technology integration and complex network building contracts is recognized in accordance with the Percentage-Of-Completion (POC) method. Under the POC method, progress towards completion is measured based on either achievement of specified contract milestones, cost incurred as a proportion of estimated total cost or other measures of progress when available. If circumstances arise that change the original estimates of revenues, costs, or extent of progress towards completion, revisions are made to the estimates. These revisions may result in increase or decrease in estimated revenues or costs, and such revisions are reflected in income in the year in which the circumstances that gave rise to the revision become known to the management. Provisions for estimated losses, if any, on contracts-in-progress are recorded in the period in which such losses become probable based on the current cost estimates. Contract losses are determined to be the amount by which the estimated total cost to complete exceeds the estimated total revenue that will be generated by the contract and are included in cost of services and classified in other accrued liabilities.

In arrangements involving sharing of customer revenues, revenue is recognized when the amounts are known and the right to receive is established. Incremental revenue from existing contracts arising on future sales to the customers is recognized when it is earned and collectability is reasonably assured.

Revenues from unit-priced contracts are recognized as transactions are processed, based on objective measures of output.

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

Multiple-element arrangements

When a sales arrangement contains multiple elements, such as services, hardware and software products and licenses, revenue for each element is determined based on its fair value.

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

Revenue from activities in transition services not having standalone value in outsourcing arrangements is deferred and recognized over the period of the arrangement. Direct and incremental costs in relation to such an arrangement are also deferred to the extent of revenue. Certain upfront non-recurring contract acquisition costs incurred in the initial phases of outsourcing contracts are deferred and amortized usually on a straight line basis, over the term of the contract unless revenues are earned and obligations are fulfilled in a different pattern. The undiscounted cash flows from the arrangement are periodically estimated and compared with the unamortized costs. If the unamortized costs exceed the undiscounted cash flow, a loss is recognized.

In instances when revenue is derived from sales of third-party vendor services, material or licenses, revenue is recorded on a gross basis when the Group is a principal to the transaction and net of costs when the Group is acting as an agent between the customer and the vendor. Several factors are considered to determine whether the Group is a principal or an agent, most notably whether the Group is the primary obligor to the customer, has established its own pricing, and has inventory and credit risks.

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

Revenue from financing leases is recognized when risk of loss has been transferred to the client and there are no unfulfilled obligations that affect the final acceptance of the arrangement by the client. Revenue from operating leases is accounted on a straight-line basis as service revenue over the rental period. Interest attributable to financing leases included therein is recognized on an accrual basis using the effective interest method.

Interest income

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

(h) ***Income taxes***

Income tax expense comprises current and deferred income tax.

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Provision for income tax includes the impact of provisions established for uncertain income tax positions.

Deferred income tax assets and liabilities recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets and liabilities are recognized for those temporary differences which originate during the tax holiday period are reversed after the tax holiday period. For this purpose, reversal of timing differences is determined using first-in-first-out method.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the year that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances change. The adjustment is either

treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognized in the statement of profit and loss.

In some tax jurisdictions, tax deductions on share based payments to employees are different from the related cumulative remuneration expenses. If the amount of the tax deduction (or estimated future tax deduction) exceeds the amount of the related cumulative remuneration expense, the excess of the associated tax is recognized directly in retained earnings.

(i) ***Property, plant and equipment***

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

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

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

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

Depreciation on property, plant and equipment 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 assets for computing depreciation are as follows:

Asset description	Asset life (in years)
Buildings	20
Plant and equipment (including air conditioners, electrical installations)	10
Office equipment	5
Computers and networking equipment	4-5
Furniture and fixtures	7
Vehicles	5

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

(j) ***Intangible assets***

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

Intangible assets are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the

amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

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

The intangible assets are amortized over the estimated useful life of the assets as mentioned below except certain Licensed IPRs which include the right to modify, enhance or exploit are amortized in proportion to the expected benefits over the useful life which could range up to 15 years:

Asset description	Asset life (in years)
Software	3
Licensed IPRs	5 to 15
Customer relationships	1 to 11
Customer contracts	1 to 2
Technology	5 to 15
Intellectual property rights including Brand	2 to 6
Non-compete agreements	5

(k) ***Research and development costs***

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

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. Amortization expense is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

(l) ***Borrowing costs***

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(m) ***Leases***

Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between 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 in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset or the lease term.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Group as a lessor

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

Leases in which the Group transfers substantially all the risk and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the present value of lease receivable. After initial recognition, the Group 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.

(n) ***Inventory***

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

(o) ***Impairment of non-financial assets***

Goodwill

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

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

Intangible assets and property, plant and equipment

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

(p) ***Provisions***

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows.

(q) ***Retirement and other employee benefits***

i. Provident fund: Employees of the Company and its subsidiaries in India receive benefits under the provident fund, a defined benefit plan. The employee and employer each make monthly contributions to the plan. A portion of the contribution is made to the provident fund trust managed by the Group or Government administered provident fund; while the balance contribution is made to the Government administered pension fund. For the contribution made by the Company and its subsidiaries in India to the provident fund trust managed by the Group, the Company has an obligation to fund any shortfall on the yield of the Trust's investments over the administered interest rates. The liability is actuarially determined (using the projected unit credit method) at the end of the year. The funds contributed to the Trust are invested in specific securities as mandated by law and generally consist of federal and state government bonds, debt instruments of government-owned corporations and other eligible market securities.

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 and its subsidiaries in India provide 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 a maximum of ₹20 lacs per employee). The liability is actuarially determined (using the projected unit credit method) at the end of each year. Actuarial gains / losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the year in which they occur.

In respect to certain employees in India, the Company contributes towards gratuity liabilities to the Gratuity Fund Trust. Trustees of the Company administer contributions made to the Trust and contributions are invested in a scheme with Life Insurance Corporation of India as permitted by law.

iv. Compensated absences: The employees of the Group are entitled to compensated absences which are both accumulating and non-accumulating in nature. The employees can carry forward up to the specified portion of the unutilized accumulated compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The expected cost of accumulating compensated absences is determined by actuarial valuation (using the projected unit credit method) based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the balance sheet date. The expense on non-accumulating compensated absences is recognized in the statement of profit and loss in the year in which the absences occur. Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

v. State Plan: The contribution to State Plans in India, a defined contribution plan namely Employee State Insurance Fund is charged to the statement of profit and loss as and when employees render related services.

vi. Contributions to other foreign defined contribution plans are recognized as expense when employees have rendered services entitling them to such benefits.

(r) ***Equity settled stock based compensation***

Stock-based compensation represents the cost related to stock-based awards granted to employees. The Company measures stock-based compensation cost at grant date, based on the estimated fair value of the award and recognizes the cost (net of estimated forfeitures) on a straight line basis over the requisite service period for each separately vesting portion of the award, as if award was in substance, multiple awards. The Company estimates the fair value of stock options using the Black-Scholes valuation model. The cost is recorded under the head employee benefit expense in the statement of profit and loss with corresponding increase in "Share Based Payment Reserve".

(s) ***Financial Instruments***

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. **Financial assets**

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value measured on initial recognition of financial asset. Purchase and sale of financial assets are accounted for at trade date.

Cash and short-term deposits
Cash and short-term deposits in the balance sheet comprise cash in banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Financial assets at amortized cost
A financial asset is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category includes cash and bank balances, loans, unbilled revenue, trade and other receivables.

Financial asset at Fair Value through Other Comprehensive Income (OCI)
A financial asset is classified and measured at fair value through OCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent solely payments of principal and interest.

Financial asset included within the OCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. Interest income is recognized in statement of profit and loss for debt instruments. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from

OCI to statement of profit and loss.

Financial assets at Fair Value through Profit and Loss
Any financial asset, which does not meet the criteria for categorization at amortized cost or at fair value through other comprehensive income, is classified at fair value through profit and loss. Financial assets included at the fair value through profit and loss category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments
Equity investments, for which sufficient, more recent, information to measure fair value is not available, are measured at cost. Other equity investments in scope of Ind AS 109 are measured at fair value through profit and loss.

Equity investments included within the fair value through profit and loss category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition of financial assets
A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Group has transferred its rights to receive cash flows from the asset.

Impairment of financial assets
The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Lifetime ECL allowance is recognized for trade receivables with no significant financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case they are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized in statement of profit and loss.

ii. **Financial liabilities**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, borrowings including bank overdrafts and other payables.

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method except for deferred consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

iii. **Derivative financial instruments and hedge accounting**

Foreign exchange forward contracts and options are purchased to mitigate the risk of changes in foreign exchange rates associated with forecast transactions denominated in certain foreign currencies.

The Group recognizes all derivatives as assets or liabilities measured at their fair value. Changes in fair value for derivatives not designated in a hedge accounting relationship are marked to market at each reporting date and the related gains (losses) are recognized in the statement of profit and loss as 'foreign exchange gains (losses)'.

The foreign exchange forward contracts and options in respect of forecast transactions which meet the hedging criteria are designated as cash flow hedges. Changes in the derivative fair values (net of tax) that are designated as effective cash flow hedges are deferred and recorded in the hedging reserve account as a component of accumulated 'other

comprehensive income (loss)' until the hedged transaction occurs and are then recognized in the statement of profit and loss. The ineffective portion of hedging derivatives is immediately recognized in the statement of profit and loss.

In respect of derivatives designated as hedges, the Group 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 Group 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.

Hedge accounting is discontinued prospectively from the last testing date when (1) it is determined that the derivative financial instrument is no longer effective in offsetting changes in the fair value or cash flows of the underlying exposure being hedged; (2) the derivative financial instrument matures or is sold, terminated or exercised; or (3) it is determined that designating the derivative financial instrument as a hedge is no longer appropriate. When hedge accounting is discontinued the deferred gains or losses on the cash flow hedge remain in 'other comprehensive income (loss)' until the forecast transaction occurs. Any further change in the fair value of the derivative financial instrument is recognized in current year earnings.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis to realize the assets and settle the liabilities simultaneously.

(t) ***Dividend***

Final dividend proposed by the Board of Directors are recognized upon approval by the shareholders who have the right to decrease but not increase the amount of dividend recommended by the Board of Directors. Interim dividends are recognized on declaration by the Board of Directors.

(u) ***Earnings per share (EPS)***

Basic EPS amounts are computed by dividing the net profit attributable to the equity holders of the parent company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are computed by dividing the net profit attributable to the equity holders of the parent company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as at the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented.

(v) ***Recently issued accounting pronouncements***

On 28 March 2018, the Ministry of Corporate Affairs (MCA), notified Companies (Indian Accounting Standards) (Amendments) Rules, 2018, amending the following standards:

Appendix B to Ind AS 21, 'Foreign Currency Transactions and Advance Consideration'

The amendment clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration.

The Appendix is effective for annual periods beginning on or after 1 April 2018. However, since the Group's current practice is in line with the Interpretation, the Group does not expect any effect on its consolidated financial statements.

Ind AS 115, Revenue from Contract with Customers

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue, Ind AS 11 Construction Contracts. The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April 2018.

The core principle of Ind AS 115 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Under Ind AS 115, an entity recognizes revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

The standard permits two possible methods of transition:

- Retrospective approach-Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Group is currently evaluating the impact that the adoption of this new standard will have on its consolidated financial statements.

2. ACQUISITIONS / DISINVESTMENTS

a) Acquisitions / disinvestment in the current year

i. Acquisitions

During the year, the Group has made three acquisitions at a total purchase price of ₹285 crores, including deferred earn-out component of ₹157 crores which is dependent on achievement of certain specified performance obligations as set out in the agreements. The Group has paid ₹124 crores and ₹4 crores is payable at 31 March 2018.

Earn-out liability of ₹157 crores has been initially fair valued at ₹82 crores and recorded as part of the preliminary purchase price allocation. The purchase price of ₹210 crores has been preliminarily allocated to the acquired assets and liabilities as follows:

	Amount
Net working capital (including cash of ₹15 crores)	5
Property, plant and equipment	8
Intangible assets	
Customer Relationships	113
Technology	30
Customer contracts	9
Goodwill	45
Total purchase consideration	**210**

Out of total goodwill of ₹45 crores, goodwill of ₹23 crores is tax deductible over the period of 15 years.

The table below shows the values and lives of intangibles recognized on acquisition:

	Amount	Life (Years)
Customer relationship	113	4.3 - 9.7
Technology	30	4.7 – 5.7
Customer contract	9	0.3 - 0.4
Total Intangibles	**152**	

The Group is in the process of making a final determination of the fair value of assets and liabilities. Finalization of the purchase price allocation may result in certain adjustments to the above allocation.

As at 31 March 2018, earn out liability has been fair valued at ₹90 crores with finance expense of ₹8 crores on fair valuation recognized in the statement of profit and loss.

ii. **Arrangement with DXC**

With a view to better leverage the capabilities of the Group and DXC Technology Company (DXC), on September 30, 2017, the Group terminated its existing arrangements with DXC. Accordingly, the balance sheet and statement of income of CeleritiFinTech Limited (and its step down subsidiaries) has not been consolidated with the Group from that date.

Similarly, amount payable towards future equity contribution in an associate CeleritiFinTech Services Limited (and its step down subsidiaries) is no longer payable resulting in a decrease in investments in associate and liability by the same amount.

The net amount estimated to be received by the Group, on winding up of these joint venture entities, as per terms of the termination agreement has been shown as receivable under other financial assets amounting to ₹89 crores.

The amounts of receivables are considered preliminary as same is subject to final distribution of assets, allocation of liabilities and transfer of customers and employees.

b) **Acquisitions in the previous year**

i. **Business of Geometric Limited**

On 1 April 2016, the Company entered into a composite scheme of arrangement and amalgamation for acquisition of the IT enabled engineering services, PLM ('Product Lifecycle Management') services and engineering design productivity software tools business of Geometric Limited by way of demerger through a Court approved scheme of arrangement under Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 (including those of the Companies Act, 2013). The acquisition will help the Group to create a unique portfolio of end-to-end engineering and R&D capabilities across the full product lifecycle - hardware, software, manufacturing engineering and PLM consulting.

The scheme came into effect from 2 March, 2017 post all regulatory approvals required for completion of the scheme and is accounted from 1 April 2016.

The purchase consideration as per the scheme has been settled by issue of 10 equity shares of ₹2 each (aggregating to 15,563,430 equity shares) for every 43 fully paid equity shares of ₹2 each held by equity shareholders of Geometric Limited. The total purchase price of ₹1,267 crores has been allocated to the acquired assets and liabilities as follows:

	Amount
Net working capital	147
Property, plant & equipment and software	49
Investments	114
Intangible assets	
Customer relationship	151
Customer contract	19
Intellectual property rights	6
Goodwill	781
Total purchase consideration	**1,267**

The resultant goodwill is not tax deductible and has been allocated to the software segment.

The table below shows the values and lives of intangibles recognized on acquisition:

	Amount	Life (Years)
Customer relationship	151	11
Customer contract	19	1
Intellectual property rights	6	6
Total Intangibles	**176**	

ii. **Butler America Aerospace, LLC**

On 3 January 2017, the Group through a wholly owned subsidiary has entered into an agreement to acquire 100% shareholding of Butler America Aerospace, LLC (Butler Aerospace), a provider of engineering, design services and aftermarket engineering services to US Aerospace and Defence customers. The acquisition will bolster the Group's capabilities in engineering services and access to clients with large R&D spends.

The total purchase price of ₹542 crores has been allocated to the acquired assets and liabilities as follows:

	Amount
Net working capital	62
Property plant and equipment	9
Technology	2
Customer Relationships	86
Customer contracts	13
Non-compete agreements	3
Goodwill	367
Total purchase consideration	**542**

The resultant goodwill is tax deductible over the period of 15 years and has been allocated to the software segment.

During the year ended 31 March 2018, the Group has made certain fair value adjustments to the preliminary allocations which has increased the value of goodwill to ₹382 crores and reduced the value of net working capital to ₹47 crores.

The table below shows the values and lives of intangibles recognized on acquisition:

	Amount	Life (Years)
Technology	2	5
Customer Relationships	86	10
Customer contracts	13	1
Non-compete agreements	3	5
Total Intangibles	**104**	

In addition to the purchase consideration, ₹16 crores is payable to certain key employees over a three year period. Payment of this amount is contingent upon achieving certain specified performance conditions and these employees continuing to be the employees of the subsidiary on the payment date. This consideration is being accounted for as post acquisition employee compensation expense.

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

3. Notes to consolidated financial statements

3.1 Property, plant and equipment

The changes in the carrying value for the year ended 31 March 2018

	Freehold land	Buildings	Plant and equipment	Office Equipment	Computers and networking equipment	Furniture and fixtures	Vehicles	Total
Gross block as at 1 April 2017	**55**	**2,581**	**1,464**	**270**	**2,584**	**701**	**110**	**7,765**
Additions	-	246	108	33	816	51	34	**1,288**
Acquisitions through business combinations	-	-	6	-	3	1	-	**10**
Disposals	-	3	26	12	296	49	25	**411**
Translation exchange differences	-	3	13	5	87	14	-	**122**
Gross block as at 31 March 2018	**55**	**2,827**	**1,565**	**296**	**3,194**	**718**	**119**	**8,774**
Accumulated depreciation as at 1 April 2017	**-**	**537**	**832**	**209**	**1,627**	**511**	**51**	**3,767**
Charge for the year	-	137	114	24	405	49	23	**752**
Acquisitions through business combinations	-	-	1	-	1	-	-	**2**
Deduction / other adjustments	-	3	25	11	281	46	20	**386**
Translation exchange differences	-	3	3	5	56	12	-	**79**
Accumulated depreciation as at 31 March 2018	**-**	**674**	**925**	**227**	**1,808**	**526**	**54**	**4,214**
Net block as at 31 March 2018	**55**	**2,153**	**640**	**69**	**1,386**	**192**	**65**	**4,560**

Note: Capital work in progress includes ₹9 crores interest on extended interest bearing suppliers credit and during the year ₹25 crores have been capitalised by the Group.

The changes in the carrying value for the year ended 31 March 2017

	Freehold land	Buildings	Plant and equipment	Office Equipment	Computers and networking equipment	Furniture and fixtures	Vehicles	Total
Gross block as at 1 April 2016	**55**	**2,185**	**1,381**	**252**	**2,267**	**698**	**105**	**6,943**
Additions	-	371	145	23	534	40	31	**1,144**
Acquisitions through business combinations	-	30	6	3	5	7	-	**51**
Disposals	-	-	54	5	136	30	26	**251**
Translation exchange differences	(0)	(5)	(14)	(3)	(86)	(14)	-	**(122)**
Gross block as at 31 March 2017	**55**	**2,581**	**1,464**	**270**	**2,584**	**701**	**110**	**7,765**

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

	Freehold land	Buildings	Plant and equipment	Office Equipment	Computers and networking equipment	Furniture and fixtures	Vehicles	Total
Accumulated depreciation as at 1 April 2016	**-**	**420**	**756**	**194**	**1,422**	**504**	**51**	**3,347**
Charge for the year	-	120	104	22	315	42	21	**624**
Acquisitions through business combinations	-	-	(1)	-	-	-	-	**(1)**
Deduction / other adjustments	-	-	21	4	51	21	21	**118**
Translation exchange differences	-	(3)	(6)	(3)	(59)	(14)	-	**(85)**
Accumulated depreciation as at 31 March 2017	**-**	**537**	**832**	**209**	**1,627**	**511**	**51**	**3,767**
Net block as at 31 March 2017	**55**	**2,044**	**632**	**61**	**957**	**190**	**59**	**3,998**
Net block as at 1 April 2016	**55**	**1,765**	**625**	**58**	**845**	**194**	**54**	**3,596**

Note: Capital work in progress includes ₹ 27 crores interest on extended interest bearing suppliers credit and during the year ₹ 23 crores have been capitalised by the Group.

3.2 Goodwill

The changes in the carrying value of goodwill balances by reportable segment, for the year ended 31 March 2018

	Software Services	Infrastructure services	Business process outsourcing services	Total
Opening balance as at 1 April 2017	5,747	597	160	6,504
Acquisitions through business combinations	21	1	23	45
Deconsolidation of subsidiary [refer note 2(a)(ii)]	(59)	-	-	(59)
Purchase price adjustment [refer note 2(b)(ii)]	15	-	-	15
Effect of exchange rate changes	243	49	2	294
Closing balance as at 31 March 2018	**5,967**	**647**	**185**	**6,799**

The changes in the carrying value of goodwill balances by reportable segment, for the year ended 31 March 2017

	Software Services	Infrastructure services	Business process outsourcing services	Total
Opening balance as at 1 April 2016	4,949	662	164	5,775
Acquisitions through business combinations				
Business of Geometric Limited	781	-	-	781
Butler America Aerospace, LLC	367	-	-	367
Effect of exchange rate changes	(350)	(65)	(4)	(419)
Closing balance as at 31 March 2017	**5,747**	**597**	**160**	**6,504**

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

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

Goodwill is tested for impairment at least annually. Impairment is recognised, if present value of future cash flows is less than the carrying value of goodwill. Future cash flows are forecast for 5 years & then on perpetuity on the basis of certain assumptions which includes revenue growth, earnings before interest and taxes, taxes, capital outflow and working capital requirement. The assumptions are taken on the basis of past trends and management estimates and judgement. Future cash flows are discounted with "Weighted Average Cost of Capital". The key assumptions are as follows:

	As at	
	31 March 2018	31 March 2017
Terminal growth rate (%)	2.50	5
Discount rate (%)	10.80	10.40

As at 31 March 2018 and 31 March 2017 the estimated recoverable amount of the CGU exceeded its carrying amount and accordingly, no impairment was recognized.

3.3 Other intangible assets

The changes in the carrying value for the year ended 31 March 2018

	Software	Licensed IPRs	Customer relation-ships	Customer contracts	Technology	Intellectual property rights	Non-compete agreements	Total
Gross block as at 1 April 2017	**928**	**4,255**	**389**	**44**	**99**	**13**	**3**	**5,731**
Additions	172	3,153	-	-	-	-	-	**3,325**
Acquisitions through business combinations	-	-	113	9	30	-	-	**152**
Disposals	37	-	57	-	91	-	-	**185**
Translation exchange differences	20	2	13	-	8	-	-	**43**
Gross block as at 31 March 2018	**1,083**	**7,410**	**458**	**53**	**46**	**13**	**3**	**9,066**
Accumulated depreciation as at 1 April 2017	**749**	**144**	**43**	**39**	**18**	**5**	**-**	**998**
Charge for the year	117	411	71	14	15	2	1	**631**
Acquisitions through business combinations	-	-	-	-	-	-	-	**-**
Deduction / other adjustments	36	(85)	12	-	13	-	-	**(24)**
Translation exchange differences	17	2	3	-	(3)	-	-	**19**
Accumulated depreciation as at 31 March 2018	**847**	**642**	**105**	**53**	**17**	**7**	**1**	**1,672**
Net block as at 31 March 2018	**236**	**6,768**	**353**	**-**	**29**	**6**	**2**	**7,394**

The changes in the carrying value for the year ended 31 March 2017

	Software	Licensed IPRs	Customer relation-ships	Customer contracts	Technology	Intellectual property rights	Non-compete agreements	Total
Gross block as at 1 April 2016	**746**	**-**	**170**	**13**	**114**	**6**	**-**	**1,049**
Additions	196	4,255	-	-	-	-	-	**4,451**
Acquisitions through business combinations	8	-	236	32	2	7	3	**288**
Disposals	1	-	-	-	-	-	-	**1**
Translation exchange differences	(21)	-	(17)	(1)	(17)	-	-	**(56)**
Gross block as at 31 March 2017	**928**	**4,255**	**389**	**44**	**99**	**13**	**3**	**5,731**

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

	Software	Licensed IPRs	Customer relation-ships	Customer contracts	Technology	Intellectual property rights	Non-compete agreements	Total
Accumulated depreciation as at 1 April 2016	**676**	**-**	**5**	**8**	**13**	**1**	**-**	**703**
Charge for the year	94	28	41	30	7	4	-	**204**
Acquisitions through business combinations	-	-	-	-	-	-	-	**-**
Deduction / other adjustments	-	(116)	-	-	-	-	-	**(116)**
Translation exchange differences	(21)	-	(3)	1	(2)	-	-	**(25)**
Accumulated depreciation as at 31 March 2017	**749**	**144**	**43**	**39**	**18**	**5**	**-**	**998**
Net block as at 31 March 2017	**179**	**4,111**	**346**	**5**	**81**	**8**	**3**	**4,733**
Net block as at 1 April 2016	**70**	**-**	**165**	**5**	**101**	**5**	**-**	**346**

3.4 Investments

	As at	
	31 March 2018	**31 March 2017**
Investment in an associate		
14,820,000 equity shares (31 March 2017, 14,820,000 equity shares) of GBP 1 each fully paid up, 49% in CeleritiFintech Services Limited (unquoted)	-	126
Financial assets		
Non - current		
Unquoted investments		
Equity instruments carried at cost	16	11
Carried at fair value through profit and loss		
Investment in limited liability partnership	27	23
Quoted investments		
Carried at fair value through other comprehensive income		
Investment in debentures or bonds	260	-
	303	**34**
Current		
Unquoted investments		
Carried at fair value through profit and loss		
Investment in mutual funds	**2,357**	**1,146**
Total investments - financial assets	**2,660**	**1,180**
Aggregate amount of unquoted investments	2,400	1,180
Aggregate amount of quoted investments	260	-
Market value of quoted investments	260	-
Equity instruments carried at cost	16	11
Investment carried at fair value through other comprehensive income	260	-
Investment carried at fair value through profit and loss	2,384	1,169

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

3.5 Loans

	As at	
	31 March 2018	31 March 2017
Non - current		
Carried at amortized cost		
Unsecured, considered good		
Inter corporate deposits	235	-
	235	**-**
Current		
Carried at amortized cost		
Unsecured, considered good		
Inter corporate deposits	3,408	2,500
Loans to employees	2	21
	3,410	**2,521**

3.6 Other financial assets

	As at	
	31 March 2018	31 March 2017
Non - current		
Carried at amortized cost		
Bank deposits with more than 12 months maturity (refer note below)	-	2
Finance lease receivables [refer note 3.28(iii)]	515	274
Security deposits	93	67
Security deposits - related parties (refer note 3.32)	10	13
Other receivable	216	223
	834	**579**
Carried at fair value through other comprehensive income		
Unrealized gain on derivative financial instruments [refer note 3.29(a)]	23	131
	857	**710**
Current		
Carried at amortized cost		
Unbilled revenue	2,618	2,500
Unbilled revenue-related parties (refer note 3.32)	-	1
Interest receivable	33	65
Security deposits	53	54
Security deposits - related parties (refer note 3.32)	4	-
Finance lease receivables [refer note 3.28(iii)]	341	265
Other receivable	229	55
	3,278	**2,940**
Carried at fair value through other comprehensive income		
Unrealized gain on derivative financial instruments [refer note 3.29(a)]	178	457
Carried at fair value through profit and loss		
Unrealized gain on derivative financial instruments [refer note 3.29(a)]	-	10
	3,456	**3,407**

Note: Pledged with banks as security for guarantees ₹Nil (31 March 2017, ₹2 crores)

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

3.7 Other non- current assets

	As at	
	31 March 2018	31 March 2017
Unsecured considered good		
Capital advances	71	56
Advances other than capital advances		
Security deposits	37	39
Others		
Prepaid expenses	287	211
Prepaid rentals for leasehold land	285	289
Prepaid expenses - related parties (refer note 3.32)	3	-
Deferred cost	477	499
	1,160	**1,094**

3.8 Inventories

	As at	
	31 March 2018	31 March 2017
Stock-in-trade	172	276
	172	**276**

3.9 Trade receivables

	As at	
	31 March 2018	31 March 2017
Unsecured considered good (refer note below)	9,639	8,301
Unsecured considered doubtful	291	296
	9,930	**8,597**
Provision for doubtful receivables	(291)	(296)
	9,639	**8,301**

Note: Includes receivables from related parties amounting to ₹6 crores (31 March 2017, ₹6 crores)

3.10 Cash and bank balances

	As at	
	31 March 2018	31 March 2017
(a) Cash and cash equivalent		
Balance with banks		
- in current accounts	1,396	1,141
- deposits with original maturity of less than 3 months	203	112
Cheques in hand	-	15
Remittances in transit	95	49
Unclaimed dividend account	5	4
	1,699	**1,321**
(b) Other bank balances		
Deposits with remaining maturity up to 12 months (refer note below)	2,319	7,723
	4,018	**9,044**

Note: Pledged with banks as security for guarantees ₹Nil crores (31 March 2017, ₹3 crores)

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

3.11 Other current assets

	As at	
	31 March 2018	31 March 2017
Unsecured, considered good		
Advances other than capital advances		
Security deposits	30	33
Advances to related parties (refer note 3.32)	-	1
Advances to employees	41	52
Advances to suppliers	84	89
Others		
Deferred cost	224	514
Prepaid expenses	732	606
Prepaid rentals for leasehold land	4	3
Prepaid expenses - related parties (refer note 3.32)	4	-
Advance tax (refundable)	140	74
Goods and service tax receivable	60	114
Other advances	187	282
	1,506	**1,768**
Unsecured, considered doubtful		
Advances other than capital advances		
Advances to employees	59	49
Other advances	9	10
Less: provision for doubtful advances	(68)	(59)
	-	-
	1,506	**1,768**

3.12 Share capital

	As at	
	31 March 2018	31 March 2017
Authorized 1,500,000,000 (31 March 2017, 1,500,000,000) equity shares of ₹2 each	300	300
Issued, subscribed and fully paid up 1,392,246,384 (31 March 2017, 1,426,783,424) equity shares of ₹2 each	278	285

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 financial year

	As at			
	31 March 2018		31 March 2017	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Number of shares at the beginning	1,426,783,424	285	1,410,381,314	282
Add: Shares issued on exercise of employee stock options	462,960	-	838,680	-
Add: Shares issued on account of business combination [refer note 2(b)(i)]	-	-	15,563,430	3
Less: Shares extinguished on buyback	(35,000,000)	(7)	-	-
Number of shares at the end	1,392,246,384	278	1,426,783,424	285

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

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

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

Name of the shareholder	As at			
	31 March 2018		31 March 2017	
	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	587,647,744	42.21%	583,347,024	40.89%
HCL Holdings Private Limited	233,887,811	16.80%	239,097,816	16.76%

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	
	31 March 2018	31 March 2017
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.	15,573,555 Equity shares	15,573,555 Equity shares
Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	702,847,961 Equity shares	702,847,961 Equity shares
Aggregate number and class of shares bought back	35,000,000 Equity shares	Nil

During the year ended 31 March 2018, the Company has carried out the share buyback of 35,000,000 fully paid-up equity shares of face value of ₹2/- each at a price of ₹1,000/- per share paid in cash for an aggregate consideration of ₹3500 crores. Same has been recorded as reduction in equity share capital by ₹7 crores, securities premium by ₹3,248 crores and general reserve by ₹245 crores.

As required by the Companies Act, 2013, capital redemption reserve of ₹7 crores has been created out of general reserve to the extent of share capital extinguished.

The expenses of ₹14 crores relating to buyback has been adjusted against retained earnings.

Capital management

The primary objective of the Group's capital management is to support business continuity and growth of the company while maximizing the shareholder value. The Group has been declaring quarterly dividend for last 15 years. The Group determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are generally met through operating cash flows generated.

Employee Stock Option Plan (ESOP)

The Company has provided share-based payment schemes to its employees. During the year ended 31 March 2018 and 2017, the following scheme was in operation:

	ESOP 2004
Maximum number of options under the plan	20,000,000
Method of settlement (cash / equity)	Equity
Vesting period (maximum)	96 months
Exercise period from the date of vesting (maximum)	5 years
Vesting conditions	Service period / Group performance

Each option granted under the above plan entitles the holder to eight equity shares of the Company at an exercise price, which is approved by the Nomination and Remuneration Committee.

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

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

ESOP 2004	Year ended			
	31 March 2018		31 March 2017	
	No. of options	Weighted average exercise price (₹)	No. of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	183,915	16.00	460,147	16.00
Add: Granted during the year	-	-	-	-
Less: Forfeited during the year	(2,400)	16.00	(152,610)	16.00
Exercised during the year	(57,870)	16.00	(104,835)	16.00
Expired during the year	-	-	(18,787)	16.00
Options outstanding at the end of the year *	**123,645**	**16.00**	**183,915**	**16.00**
Options exercisable at the end of the year	**118,845**		**176,715**	

The weighted average option price at the date of exercise for stock options exercised during the year was ₹6,962 (31 March 2017, ₹6,220)

* 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 outstanding stock options is as below:

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 - 2004				
31 March 2018	₹16	123,645	1.38	16.00
31 March 2017	₹16	183,915	2.46	16.00

There are no options granted during the current year and previous year.

3.13 Borrowings

	Non-current		Current	
	As at		As at	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Long term borrowings				
Secured				
Term loans from banks (refer note 1 below)	33	32	15	14
Finance lease obligations (refer note 2 below)	75	28	45	19
Unsecured				
Term loans from banks (refer note 3 below)	221	308	111	103
Other loans (refer note 4 below)	9	15	6	8
	338	**383**	**177**	**144**
Current maturities of long term borrowings disclosed under Note 3.14 "Other financial liabilities"	-	-	(177)	(144)
	338	**383**	**-**	**-**
Short term borrowings				
Secured				
Bank overdraft (refer note 5 below)	-	-	-	13
Unsecured				
Bank overdraft (refer note 5 below)	-	-	42	42
	-	**-**	**42**	**55**

Note:-

1. The Group has availed of term loans of ₹48 crores (31 March 2017, ₹46 crores) secured by hypothecation of gross block of vehicles of ₹110 crores (31 March 2017, ₹101 crores) at interest rates ranging from 8.5% p.a. to 10.4% p.a. The loans are repayable over a period of 3 to 5 years on a monthly basis.
2. The Finance lease obligations are secured against network equipment acquired by the Group on finance lease at interest rates ranging from 0% p.a. to 4.91% p.a. The same is repayable over a period of 5 years on a monthly / quarterly rest.
3. An unsecured long term loan of ₹332 crores (SEK 424 million) [31 March 2017, ₹411 crores, (SEK 566 million)] borrowed by a subsidiary in Sweden from a bank at an interest rate of STIBOR + 1.15% p.a. (effective interest rate 0.62% p.a.) is repayable till March 2021 on quarterly rest.
4. The other loan of ₹15 crores represents long term loan taken for purchase of plant and equipment (31 March 2017, ₹23 crores) at interest rates of 0% p.a. The loans are repayable till October 2020 on quarterly / yearly rest.
5. Current borrowings were primarily on account of bank overdrafts required for management of working capital. The Group has availed bank line of credit at interest rate ranging from 1.75% p.a. to 2.67% p.a. which is repayable on demand. Bank overdraft of ₹Nil (31 March 2017, ₹13 crores) is secured by hypothecation of receivables.

3.14 Other financial liabilities

	As at	
	31 March 2018	**31 March 2017**
Non - current		
Carried at amortized cost		
Employee bonuses accrued	6	11
Capital accounts payables	166	-
	172	**11**
Carried at fair value through other comprehensive income		
Unrealized loss on derivative financial instruments [refer note 3.29(a)]	1	-
Carried at fair value through profit and loss		
Deferred consideration	73	14
	246	**25**
Current		
Carried at amortized cost		
Current maturities of long term borrowings	177	144
Unclaimed dividends	5	4
Accrued salaries and benefits		
Employee bonuses accrued	846	842
Other employee costs	730	677
Others		
Liabilities for expenses	3,089	2,795
Liabilities for expenses-related parties (refer note 3.32)	20	115
Capital accounts payables [includes supplier credit ₹297 crores (31 March 2017, ₹240 crores)]	1,081	2,049
Capital accounts payables-related parties [includes supplier credit ₹2 crores (31 March 2017, Nil)] (refer note 3.32)	2	3
Supplier credit	478	836
Supplier credit-related parties (refer note 3.32)	125	19
Book overdraft	2	3
	6,555	**7,487**
Carried at fair value through profit and loss		
Unrealized loss on derivative financial instruments [refer note 3.29(a)]	8	32
Deferred consideration	43	26
	51	58
	6,606	**7,545**

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

3.15 Provisions

	As at	
	31 March 2018	31 March 2017
Non - current		
Provision for employee benefits		
Provision for gratuity (refer note 3.31)	324	285
Provision for leave benefits	376	411
	700	**696**
Current		
Provision for employee benefits		
Provision for gratuity (refer note 3.31)	68	52
Provision for leave benefits	462	421
	530	**473**

3.16 Other non-current liabilities

	As at	
	31 March 2018	31 March 2017
Revenue received in advance	179	175
Others	33	26
	212	**201**

3.17 Trade payables

	As at	
	31 March 2018	31 March 2017
Trade payables	913	694
Trade payables-related parties (refer note 3.32)	5	107
	918	**801**

3.18 Other current liabilities

	As at	
	31 March 2018	31 March 2017
Revenue received in advance	656	1,071
Revenue received in advance-related parties (refer note 3.32)	15	21
Other advances		
Advances received from customers	65	71
Others		
Withholding and other taxes payable	589	559
	1,325	**1,722**

3.19 Revenue from operations

	Year ended	
	31 March 2018	31 March 2017
Sale of services	49,031	46,557
Sale of hardware and software	1,538	1,011
	50,569	**47,568**

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

3.20 Other income

	Year ended	
	31 March 2018	**31 March 2017**
Interest income		
- On deposits	457	785
- Others	7	15
Income on investments carried at fair value through other comprehensive income	3	-
Income on investments carried at fair value through profit and loss		
- Dividend on mutual funds	-	6
- Gains on fair value changes on mutual funds	6	8
- Profit on sale of mutual funds	154	40
- Share of profit in limited liability partnership	2	1
Profit on sale of property, plant and equipments (refer note 1 below)	1	-
Exchange differences (net)	581	195
Miscellaneous income	6	23
	1,217	**1,073**

Note : Net of loss on sale of property, plant and equipment ₹7 crores.

3.21 Changes in inventories of stock-in-trade

	Year ended	
	31 March 2018	**31 March 2017**
Opening stock	276	265
Closing stock	172	276
	104	**(11)**

3.22 Employee benefits expense

	Year ended	
	31 March 2018	**31 March 2017**
Salaries, wages and bonus	21,506	19,823
Contribution to provident fund and other employee funds	3,115	2,916
Staff welfare expenses	108	127
	24,729	**22,866**

3.23 Finance cost

	Year ended	
	31 March 2018	**31 March 2017**
Interest		
- on loans from banks	14	19
- others	39	53
Bank charges	16	17
	69	**89**

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

3.24 Other expenses

	Year ended	
	31 March 2018	31 March 2017
Rent	566	510
Power and fuel	313	307
Insurance	50	39
Repairs and maintenance		
- Plant and equipment	89	56
- Buildings	94	73
- Others	262	233
Communication costs	285	310
Travel and conveyance	1,461	1,630
Legal and professional charges	397	420
Software license fee	323	258
Rates and taxes	51	79
CSR expenditure	93	41
Provision for doubtful debts / bad debts written off	80	8
Loss on sale of property, plant and equipments (refer note below)	-	6
Miscellaneous expenses	555	867
	4,619	**4,837**

Note: Net of gain on sale of property, plant and equipment ₹5 crores in previous year

3.25 Income taxes

	Year ended	
	31 March 2018	31 March 2017
Income tax charged to statement of profit and loss		
Current income tax charge	2,386	1,885
Deferred tax charge (credit)	(84)	51
	2,302	**1,936**
Income tax charged to other comprehensive income		
Expense (benefit) on re-measurements of defined benefit plans	7	(1)
Expense (benefit) on revaluation of cash flow hedges	(78)	109
	(71)	**108**

The reconciliation between the Group's provision for income tax and amount computed by applying the statutory income tax rate in India is as follows:

	Year ended	
	31 March 2018	31 March 2017
Profit before income tax	11,024	10,542
Statutory tax rate in India	34.61%	34.61%
Expected tax expense	3,815	3,649
Non-taxable export income	(1,418)	(1,375)
Non-taxable other income	(6)	(11)
Reduction in deferred tax assets due to change in US federal tax rate	61	-
Additional provision created in books	24	21
Reversal of prior year provision	(75)	(334)
Differences between Indian and foreign tax rates	(41)	(26)
MAT credit entitlement	(70)	-
Provision for deemed branch taxes	4	3
Others	8	9
Total taxes	**2,302**	**1,936**
Effective income tax rate	20.88%	18.36%

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

In India, the company has benefited from certain tax incentives that the Government of India has provided for the units situated in Special Economic Zones (SEZs) under the Special Economic Zone Act, 2005, which began providing services on or after 1 April 2005. The eligible units are eligible for a deduction of 100% of profits or gains derived from the export of services for the first five years from commencement of provision of services and 50% of such profits and gains for a further five years. Certain tax benefits are also available for a further five years subject to the unit meeting defined conditions. The aforesaid tax benefits will not be available to Units commencing operations on or after 1 April 2020.

The Company and its subsidiaries in India are subject to Minimum Alternate Tax (MAT) on its book profits, which gives rise to future economic benefits in the form of adjustment of future income tax liability. MAT paid for a year can be set-off against the normal tax liability within fifteen subsequent years, expiring between the years 2023 to 2033.

Components of deferred tax assets and liabilities as on 31 March 2018

	Opening balance	Recognized in profit and loss	Recognised in / reclassified from OCI	Acquisitions / De-consolida-tion	Recognized directly in equity and against tax liability	Exchange difference	Closing balance
Deferred tax assets							
Business losses	43	(18)	-	-	-	-	25
MAT credit entitlement	1,159	219	-	-	-	-	1,378
Provision for doubtful debts	84	(0)	-	-	-	-	84
Accrued employee costs	484	(112)	(7)	(1)	-	(7)	357
Unrealized loss on derivative financial instruments	-	-	-	-	-	-	-
Depreciation and amortization	5	17	-	-	-	-	22
Employee stock compensation	24	(13)	-	-	1	-	12
Others	163	22	-	(0)	-	(4)	181
Gross deferred tax assets (A)	**1,962**	**115**	**(7)**	**(1)**	**1**	**(11)**	**2,059**
Deferred tax liabilities							
Depreciation and amortization	80	30	-	(7)	-	-	103
Unrealized gain on derivative financial instruments	111	(5)	(78)	-	-	-	28
Intangibles	24	24	-	-	-	-	48
Others	95	(18)	-	-	-	-	77
Gross deferred tax liabilities (B)	**310**	**31**	**(78)**	**(7)**	**-**	**-**	**256**
Net deferred tax assets (A-B)	**1,652**	**84**	**71**	**6**	**1**	**(11)**	**1,803**

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

Components of deferred tax assets and liabilities as on 31 March 2017

	Opening balance	Recognized in profit and loss	Recognised in / reclassified from OCI	Acquisitions	Recognized directly in equity and against tax liability	Exchange difference	Closing balance
Deferred tax assets							
Business losses	58	(23)	-	8	-	-	43
MAT credit entitlement	973	186	-	-	-	-	1,159
Provision for doubtful debts	120	(39)	-	3	-	-	84
Accrued employee costs	447	44	1	-	-	(8)	484
Unrealized loss on derivative financial instruments	-	-	-	-	-	-	-
Depreciation and amortization	26	(21)	-	-	-	-	5
Employee stock compensation	34	(4)	-	-	(6)	-	24
Others	230	(68)	-	3	-	(2)	163
Gross deferred tax assets (A)	**1,888**	**75**	**1**	**14**	**(6)**	**(10)**	**1,962**
Deferred tax liabilities							
Depreciation and amortization	30	50	-	-	-	-	80
Unrealized gain on derivative financial instruments	2	-	109	-	-	-	111
Intangibles	10	14	-	-	-	-	24
Others	34	62	-	-	-	(1)	95
Gross deferred tax liabilities (B)	**76**	**126**	**109**	**-**	**-**	**(1)**	**310**
Net deferred tax assets (A-B)	**1,812**	**(51)**	**(108)**	**14**	**(6)**	**(9)**	**1,652**

The Company's subsidiaries have recognized deferred tax assets on such portion of the carry forward business losses which can be utilized against profits within the limit and carryover period permitted under laws of respective jurisdictions.

Undistributed earnings of the subsidiaries aggregate approximately ₹7,743 crores (₹6,709 crores, 31 March 2017). The Group has the intent to reinvest the undistributed foreign earning indefinitely in its significant overseas operations and consequently did not record a deferred tax liability on the undistributed earnings.

3.26 Components of other comprehensive income attributable to shareholders of the Company

	For the year ended	
	31 March 2018	31 March 2017
A. Items that will not be reclassified to statement of profit and loss		
Retained earnings (Actuarial gain (loss) relating to defined benefit plan)		
Opening balance (net of tax)	3	9
Actuarial gains (losses)	34	(7)
Income tax benefit (expense)	(7)	1
Closing balance (net of tax)	**30**	**3**

	For the year ended	
	31 March 2018	31 March 2017
B. Items that will be reclassified subsequently to statement of profit and loss		
Foreign currency translation reserve		
Opening balance	810	1,504
Foreign currency translation	581	(694)
Reclassification adjustments into other (income) expense, net	(40)	-
Closing balance	**1,351**	**810**
Cash flow hedging reserve		
Opening balance (net of tax)	445	8
Unrealized gains (losses)	131	677
Business combination	-	1
Reclassification adjustments into other (income) expense, net	(517)	(132)
Income tax benefit (expense)	78	(109)
Closing balance (net of tax)	137	445
TOTAL (B)	**1,488**	**1,255**

3.27 Earnings Per Share

The computation of earnings per share is as follows:

	Year ended	
	31 March 2018	31 March 2017
Profit for the year attributable to shareholders of the Company	8,721	8,606
Weighted average number of equity shares outstanding in calculating Basic EPS	1,401,349,735	1,426,496,539
Dilutive effect of stock options outstanding	986,925	1,467,621
Weighted average number of equity shares outstanding in calculating dilutive EPS	1,402,336,660	1,427,964,160
Nominal value of equity shares (in ₹)	2	2
Earnings per equity share (in ₹)		
- Basic	62.23	60.33
- Diluted	62.19	60.27

3.28 Leases

i) Finance lease: In case of assets taken on lease

The Group has acquired IT equipments and 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	Interest included in minimum lease payments	Present value of minimum lease payments
As on 31 March 2018			
Not later than one year	47	2	45
Later than one year and not later than 5 years	76	1	75
	123	**3**	**120**
As on 31 March 2017			
Not later than one year	20	1	19
Later than one year and not later than 5 years	29	1	28
	49	**2**	**47**

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

ii) Operating lease

The Group's significant leasing arrangements are in respect of operating leases for office spaces and accommodation for its employees. The aggregate lease rental expense recognized in the statement of profit and loss for the year amounts to ₹566 crores [Previous year ₹510 crores].

The lease equalization amount for non-cancellable operating lease payable in future years and accounted for by the Group is ₹129 crores (31 March 2017, ₹117 crores). Future minimum lease payments and the payment profile of non-cancellable operating leases are as follows:

	Year ended	
	31 March 2018	31 March 2017
Not later than one year	410	358
Later than one year and not later than 5 years	1,090	839
Later than five years	426	406
	1,926	**1,603**

iii) Finance Lease: In case of assets given on lease

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

	Total minimum lease payments receivable	Interest included in minimum lease payments receivable	Present value of minimum lease payments receivable
As on 31 March 2018			
Not later than one year	366	25	341
Later than one year and not later than 5 years	547	37	510
Later than 5 years	5	-	5
	918	**62**	**856**
As on 31 March 2017			
Not later than one year	291	26	265
Later than one year and not later than 5 years	265	24	241
Later than 5 years	39	6	33
	595	**56**	**539**

3.29 Financial instruments

(a) Derivatives

The Group 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 Group's strategy, which provides principles on the use of such forward contracts and currency options consistent with the Group's Risk Management Policy. The counterparty in these derivative instruments is a bank and the Group considers the risks of non-performance by the counterparty as insignificant. The Group has entered into a series of foreign exchange forward contracts that are designated as cash flow hedges and the related forecasted transactions extend through December 2022. The Group does not use forward covers and currency options for speculative purposes.

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

The following table presents the aggregate notional principal amounts of the outstanding derivative forward covers together with the related balance sheet exposure:

Foreign exchange forward denominated in	Notional Currency	Notional principal amounts (amount in thousands)		Balance sheet exposure Asset (Liability) (₹)	
		31 March 2018	31 March 2017	31 March 2018	31 March 2017
Sell covers					
USD / INR	USD	246,394	100,874	24	35
GBP / INR	GBP	9,760	2,750	-	-
EURO / INR	EUR	67,895	6,538	(14)	5
CHF / INR	CHF	21,000	14,750	3	12
SEK / INR	SEK	315,100	60,000	6	3
AUD / INR	AUD	34,350	14,000	6	3
NOK / INR	NOK	160,000	155,000	2	11
EURO / USD	EUR	45,700	77,500	3	1
GBP / USD	GBP	14,730	-	1	-
NOK / USD	NOK	-	51,000	-	-
MXN / USD	MXN	197,500	124,000	(1)	(2)
JPY / USD	JPY	939,069	-	-	-
RUB / USD	RUB	198,000	32,000	-	-
AUD / USD	AUD	9,100	-	1	-
CHF / USD	CHF	1,500	4,600	-	-
ZAR / USD	ZAR	195,000	-	1	-
SEK / USD	SEK	-	27,350	-	-
CNY / USD	CNY	67,550	23,500	(1)	-
NZD / USD	NZD	4,560	-	-	-
BRL / USD	BRL	24,500	-	-	-
Buy covers					
USD / INR	USD	-	96,875	-	(34)
JPY / USD	JPY	-	350,000	-	-
SEK / USD	SEK	60,000	167,000	(2)	1
CAD / USD	CAD	23,000	25,500	(3)	-
MYR / USD	MYR	-	59,000	-	-
GBP / USD	GBP	19,000	73,630	(1)	2
AUD / USD	AUD	-	4,600	-	-
CHF / USD	CHF	1,700	1,000	-	-
DKK / USD	DKK	58,000	38,000	-	-
SGD / USD	SGD	35,650	23,600	-	1
NOK / USD	NOK	81,000	-	-	-
PHP / USD	PHP	335,000	-	-	-
				25	**38**

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

The following table presents the aggregate notional principal amounts of the outstanding forward options together with the related balance sheet exposure:

	Notional Currency	Notional principal amounts (amount in thousands)		Balance sheet exposure Asset (Liability) (₹)	
		31 March 2018	31 March 2017	31 March 2018	31 March 2017
Range Forward					
USD / INR	USD	1,099,485	844,290	186	338
GBP / INR	GBP	60,800	96,820	(6)	90
EURO / INR	EUR	110,380	116,400	(16)	91
AUD / INR	AUD	10,580	38,960	2	8
EURO / USD	EUR	3,500	-	-	-
PUT					
USD / INR	USD	50,000	-	1	-
Seagull					
USD / INR	USD	14,750	-	-	-
GBP / INR	GBP	6,000	-	-	-
EURO / INR	EUR	14,200	11,170	-	1
				167	**528**

The notional amount is a key element of derivative financial instrument agreements. However, notional amounts do not represent the amount exchanged by counterparties and do not measure the Group's exposure to credit risk as these contracts are settled at their fair values at the maturity date.

The balance sheet exposure denotes the fair values of these contracts at the reporting date and is presented in ₹ crores. The Group presents its foreign exchange derivative instruments on a net basis in the consolidated financial statements due to the right of offset by its individual counterparties under master netting agreements.

The fair value of the derivative instruments presented on a gross basis as at each date indicated below is as follows:

	As at 31 March 2018				
	Financial assets		Financial liabilities		Total fair value
	Current	Non current	Current	Non current	
Derivatives designated as hedging instruments					
Foreign exchange contracts in an asset position	197	44	19	21	281
Foreign exchange contracts in a liability position	(19)	(21)	(19)	(22)	(81)
Net asset (liability)	178	23	-	(1)	200
Derivatives not designated as hedging instruments					
Foreign exchange contracts in an asset position	10	-	10	-	20
Foreign exchange contracts in a liability position	(10)	-	(18)	-	(28)
Net asset (liability)	-	-	(8)	-	(8)
Total Derivatives at fair value	**178**	**23**	**(8)**	**(1)**	**192**

	As at 31 March 2017				
	Financial assets		Financial liabilities		Total fair value
	Current	Non current	Current	Non current	
Derivatives designated as hedging instruments					
Foreign exchange contracts in an asset position	457	131	-	-	588
Foreign exchange contracts in a liability position	-	-	-	-	-
Net asset (liability)	457	131	-	-	588
Derivatives not designated as hedging instruments					
Foreign exchange contracts in an asset position	17	-	7	-	24
Foreign exchange contracts in a liability position	(7)	-	(39)	-	(46)
Net asset (liability)	10	-	(32)	-	(22)
Total Derivatives at fair value	**467**	**131**	**(32)**	**-**	**566**

The following tables set forth the fair value of derivative instruments included in the consolidated balance sheets as at each date indicated:

	As at	
	31 March 2018	31 March 2017
Derivatives designated as hedging instruments		
Unrealized gain on financial instruments classified under current assets	178	457
Unrealized gain on financial instruments classified under non-current assets	23	131
Unrealized loss on financial instruments classified under current liabilities	-	-
Unrealized loss on financial instruments classified under non-current liabilities	(1)	-
	200	**588**
Derivatives not designated as hedging instruments		
Unrealized gain on financial instruments classified under current assets	-	10
Unrealized loss on financial instruments classified under current liabilities	(8)	(32)
	(8)	**(22)**

Maturity profile of derivative liabilities based on contractual payments is as below:

	As at	
	31 March 2018	31 March 2017
Within one year	8	32
One to two years	-	-
Two to three years	1	-
	9	**32**

The following table summarizes the activities in the consolidated statement of profit and loss:

	Year ended	
	31 March 2018	31 March 2017
Derivatives in hedging relationships		
Effective portion of gain or (loss) recognized in OCI on derivatives	131	677
Effective portion of gain or (loss) reclassified from OCI into statement of profit and loss as "exchange differences"	517	131
Ineffective portion of gain or (loss) reclassified from OCI into statement of profit and loss as "exchange differences"	-	-
Derivatives not in hedging relationships		
Gain or (loss) recognized into statement of profit and loss as "exchange differences"	14	3

The following table summarizes the activity in the accumulated 'Other comprehensive income' within equity related to all derivatives classified as cash flow hedges:

	Year ended	
	31 March 2018	31 March 2017
(Loss) gain as at the beginning of the year	556	10
Unrealized gain on cash flow hedging derivatives during the year	131	677
Business combination	-	1
Net loss (gain) reclassified into net income on occurrence of hedged transactions	(517)	(132)
Gain as at the end of the year	170	556
Deferred tax	(33)	(111)
Cash flow hedging reserve (net of tax)	137	445

The estimated net amount of existing gain that is expected to be reclassified into the statement of profit and loss within the next twelve months is ₹ 156 crores (Previous year gain of ₹ 435 crores).

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

(b) Financial assets and liabilities

The carrying value of financial instruments by categories as at 31 March 2018 is as follows:

	Fair value through profit and loss	Fair value through other comprehensive income	Amortized cost	Total carrying value
Financial assets				
Investments	2,384	260	16	2,660
Trade receivables	-	-	9,639	9,639
Cash and cash equivalents	-	-	1,699	1,699
Other bank balances	-	-	2,319	2,319
Loans	-	-	3,645	3,645
Others (refer note 3.6)	-	201	4,112	4,313
Total	**2,384**	**461**	**21,430**	**24,275**
Financial liabilities				
Borrowings	-	-	380	380
Trade payables	-	-	918	918
Others (refer note 3.14)	124	1	6,727	6,852
Total	124	1	8,025	8,150

The carrying value of financial instruments by categories as at 31 March 2017 is as follows:

	Fair value through profit and loss	Fair value through other comprehensive income	Amortized cost	Total carrying value
Financial assets				
Investments	1,169	-	11	1,180
Trade receivables	-	-	8,301	8,301
Cash and cash equivalents	-	-	1,321	1,321
Other bank balances	-	-	7,723	7,723
Loans	-	-	2,521	2,521
Others (refer note 3.6)	10	588	3,519	4,117
Total	**1,179**	**588**	**23,396**	**25,163**
Financial liabilities				
Borrowings	-	-	438	438
Trade payables	-	-	801	801
Others (refer note 3.14)	72	-	7,498	7,570
Total	**72**	**-**	**8,737**	**8,809**

Transfer of financial assets

The Group has revolving accounts receivables based facilities of ₹815 crores permitting it to sell certain accounts receivables to banks on a non-recourse basis in the normal course of business. The aggregate maximum capacity utilized by the Group at any time during the year ended 31 March 2018 and year ended 31 March 2017 was ₹148 crores and ₹220 crores, respectively. Outstanding utilization against this facility as of 31 March 2018 and 31 March 2017 is nil. Gains or losses on sale are recorded at the time of transfer of these accounts receivables and are immaterial.

The Group has also sold finance lease receivables of ₹53 crores and ₹89 crores during the year ended 31 March 2018 and 31 March 2017, respectively on non-recourse basis. Gains or losses on sale are recorded at the time of transfer of these finance lease receivables and are immaterial. The Group has immaterial outstanding service obligations.

Fair value hierarchy

The assets and liabilities measured at fair value on a recurring basis as at 31 March 2018 and the basis for that measurement is as below:

	Fair Value	Level 1 inputs	Level 2 inputs	Level 3 inputs
Assets				
Investments carried at fair value through profit and loss	2,384	2,357	27	-
Investments carried at fair value through other comprehensive income	260	260	-	-
Unrealized gain on derivative financial instruments	201	-	201	-
Liabilities				
Unrealized loss on derivative financial instruments	9	-	9	-
Deferred consideration	116	-	-	116

There have been no transfers between Level 1 and Level 2 during the year.

The following table discloses the assets and liabilities measured at fair value on a recurring basis as at 31 March 2017 and the basis for that measurement:

	Fair Value	Level 1 inputs	Level 2 inputs	Level 3 inputs
Assets				
Investments carried at fair value through profit and loss	1,169	1,146	23	-
Unrealized gain on derivative financial instruments	598	-	598	
Liabilities				
Unrealized loss on derivative financial instruments	32	-	32	-
Deferred consideration	40	-	-	40

There have been no transfers between Level 1 and Level 2 during the year.

Valuation Methodologies

Investments: The Group's investments consist primarily of investment in debt linked mutual funds which are classified as fair value through profit and loss and are determined using quoted prices for identical assets or liabilities in active markets and are classified as Level 1.

Quoted market prices in active markets are available for investments in bonds and debentures, as such, these investments are classified within Level 1.

The investment in limited liability partnership (LLP) is classified as fair value through profit and loss. The share of profit / loss in limited liability partnership (LLP) is accounted for in the books of the company as and when it is credited / debited to the Partners' Capital Account and is classified as Level 2.

Derivative financial instruments: The Group's derivative financial instruments consist of foreign currency forward exchange contracts. Fair values for derivative financial instruments are based on broker quotations and are classified as Level 2.

Fair value of earn-out consideration: The fair value measurement of earn-out consideration is determined using Level 3 inputs. The Group earn-out consideration represents a component of the total purchase consideration for its various acquisitions. The measurement is calculated using unobservable inputs based on the Group's own assessment of achievement of certain performance goals. During the year ended 31 March 2018, the Company has made earn out payment of ₹ 16 crores and has charged finance cost of ₹ 8 crores for acquisitions consummated in current and previous year. The Group estimated the total fair value of the earn out consideration to be ₹ 116 crores, (31 March 2017, ₹ 40 crores).

The Group assessed that fair value of cash and short-term deposits, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

(c) Financial risk management

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

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

Market risk

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

(i) Foreign currency risk

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

The exchange rate risk primarily arises from assets and liabilities denominated in currencies other than the functional currency of the respective entities and foreign currency forecasted revenue and cash flows. A significant portion of the Group revenue is in US Dollar, Pound Sterling (GBP) and Euro while a large portion of costs are in Indian rupees. The fluctuation in exchange rates in respect to Indian rupee may have potential impact on the statement of profit and loss and other comprehensive income and equity.

To mitigate the foreign currency risk the Group uses derivatives as governed by the Group's strategy, which provides principles on the use of such forward contracts and currency options consistent with the Group's Risk Management Policy.

Appreciation / depreciation of 1% in respective foreign currencies with respect to functional currency of the Company and its subsidiaries would result in decrease / increase in the Group's profit before tax by approximately ₹3 crores for the year ended 31 March 2018.

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

Non-derivative foreign currency exposure as of 31 March 2018 and 31 March 2017 in major currencies is as below:

	Net financial assets		Net financial liabilities	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
USD / INR	3,686	3,328	1,371	2,544
GBP / INR	300	177	44	186
EURO / INR	439	372	158	111

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates arises on borrowings with floating interest rate which is not material.

Credit risk

Financial instruments that potentially subject the Group to concentration of credit risk consist principally of cash and bank balances, inter-corporate deposits, trade receivables, unbilled revenue, finance lease receivables, investment securities and derivative instruments. The cash resources of the Group are invested with mutual funds, banks, financial institutions and corporations after an evaluation of the credit risk. By their nature, all such financial instruments involve risks, including the credit risk of non-performance by counterparties.

The customers of the Group are primarily corporations based in the United States of America and Europe and accordingly, trade receivables and finance lease receivables are concentrated in the respective countries. The Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivables.

The allowance for lifetime expected credit loss on customer balances is as below:

	As at	
	31 March 2018	31 March 2017
Balance at the beginning of the year	296	375
Additional provision during the year	133	169
Deductions on account of write offs and collections	(142)	(250)
Effect of exchange rates changes	4	2
Balance at the end of the year	**291**	**296**

Liquidity risk

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

Maturity profile of the Group's non-derivative long term financial liabilities based on contractual payments is as below:

	Year 1 (Current)	Year 2	Year 3	Year 4-5	Total
As at 31 March 2018					
Borrowings	42	168	143	27	380
Employee bonuses accrued	846	4	-	2	852
Deferred Consideration	43	28	26	19	116
Total	**931**	**200**	**169**	**48**	**1,348**
As at 31 March 2017					
Borrowings	55	137	130	116	438
Employee bonuses accrued	842	11			853
Deferred Consideration	26	14	-	-	40
Total	**923**	**162**	**130**	**116**	**1,331**

Offsetting of financial instruments

Under cash pooling arrangements with banks outside India, the contractual terms of arrangements preclude individual bank accounts within the arrangement from being considered separate units of account. Accordingly, the balances of all such bank accounts subject to the arrangements are presented on net basis. The impact of such netting on bank balances and bank overdraft is ₹131 crores (31 March 2017, ₹164 crores).

3.30 Segment Reporting

The Group's operations predominantly relate to providing a range of IT & BPO services targeted at Global 2000 companies spread across America, Europe & Rest of the World. IT services include software services & IT infrastructure management services. Within software services, the Group provides application development & maintenance, enterprise application, next generation SAAS (Software As A Service) application services and engineering and R&D (Research and Development) services to several global customers. Infrastructure management services involve managing customer's IT assets effectively. Business process outsourcing services include the traditional contact centre & help desk services and the next generation services around platform BPO & BPAAS (Business Process As A Service) delivered through a global delivery model.

The Chief Operating Decision Maker ("CODM") evaluates the Group's performance by business segment, comprising software services, infrastructure management services and business process outsourcing services. Accordingly, the above stated

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

business segments have been identified as reportable segments for the purpose of segment reporting. The CODM assesses the performance of the operating segments based on a measure of segment earnings.

The Company has four geographic segments: India, America, Europe and Rest of the world.

Segment accounting policies

The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments and 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 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 assets and liabilities.

Financial information about the business segments for the year ended 31 March 2018 is as follows:

	Software services	IT Infrastructure services	Business process outsourcing services	Total
Segment revenues	29,611	19,095	1,863	50,569
Less : Inter-segment revenue	-	-	-	-
Net revenue of operations from external customers	**29,611**	**19,095**	**1,863**	**50,569**
Segment results	**5,904**	**3,786**	**173**	**9,863**
Finance cost				(69)
Other income				753
Interest income				464
Profit before share of profit (loss) of associate and tax				**11,011**
Share of profit of associates				13
Profit before tax				**11,024**
Tax expense				(2,302)
Profit for the year				**8,722**
Significant non-cash items				
Depreciation and amortization	882	439	62	1,383
Provision for doubtful debts / bad debts written off				80

Financial information about the business segments for the year ended 31 March 2017 is as follows:

	Software services	IT Infrastructure services	Business process outsourcing services	Total
Segment revenues	27,139	18,543	1,886	47,568
Less : Inter-segment revenue	-	-	-	-
Net revenue of operations from external customers	**27,139**	**18,543**	**1,886**	**47,568**
Segment results	**5,623**	**3,691**	**242**	**9,556**
Finance cost				(89)
Other income				273
Interest income				800
Profit before share of profit (loss) of associate and tax				**10,540**
Share of profit of associates				2
Profit before tax				**10,542**
Tax expense				(1,936)
Profit for the year				**8,606**
Significant non-cash items				
Depreciation and amortization	436	347	45	828
Provision for doubtful debts / bad debts written off				8

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

	Year ended	
	31 March 2018	**31 March 2017**
America	29,463	27,372
Europe	13,843	12,709
India *	1,995	1,994
Rest of the world	5,268	5,493
	50,569	**47,568**

* includes revenue billed to India based captive of global customers

During the years ended 31 March 2018 and 2017, no single customer represents 10% or more of the Group's total revenue and the top five customers accounted for 16.3% and 14.7% of the revenue of the Group respectively.

3.31 Employee benefits

The Group 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 and its subsidiaries in India have recognized the following amounts in the statement of profit and loss :-

	Year ended	
	31 March 2018	**31 March 2017**
Superannuation Fund	3	3
Employer's contribution to Employees State Insurance	16	6
Employer's contribution to Employee's Pension Scheme	99	88
Total	**118**	**97**

The Group has contributed ₹448 crores (previous year ₹378 crores) towards other foreign defined contribution plans.

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

B. Defined benefit plans

a) Gratuity
b) Employer's contribution to provident fund

Gratuity

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

Statement of profit and loss

	Year ended	
	31 March 2018	**31 March 2017**
Current service cost	78	65
Past service cost	11	-
Interest cost (net)	22	20
Net benefit expense	**111**	**85**

Balance Sheet

	As at	
	31 March 2018	**31 March 2017**
Defined benefit obligations	406	353
Fair value of plan assets	14	16
	392	**337**
Less: Unrecognized past service cost	-	-
Net plan liability	**392**	**337**
Current defined benefit obligations	68	52
Non-current defined benefit obligations	324	285

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

	Year ended	
	31 March 2018	**31 March 2017**
Opening defined benefit obligations	353	277
Current service cost	78	65
Past service cost	11	-
Interest cost	23	21
Re-measurement gains (losses) in OCI		
Actuarial changes arising from changes in financial assumptions	(18)	18
Experience adjustments	(17)	(12)
Business combinations	-	17
Benefits paid	(24)	(33)
Closing defined benefit obligations	**406**	**353**

Changes in fair value of the plan assets are as follows:

	Year ended	
	31 March 2018	31 March 2017
Opening fair value of plan assets	16	-
Business combinations	-	14
Interest income	1	1
Contributions	-	3
Re-measurement gains (losses) in OCI		
Return on plan assets, excluding amount recognized in interest income	(1)	(1)
Benefits paid	(2)	(1)
Closing fair value of plan assets	**14**	**16**

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity for the Group's plans are shown below:

	As at	
	31 March 2018	31 March 2017
Discount rate	7.60%	6.90%
Estimated Rate of salary increases	7.00%	7.00%
Employee Turnover	22.00%	23.00%
Expected rate of return on assets	7.60%	6.90%

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.

Discount rate and future salary escalation rate are the key actuarial assumptions to which the defined benefit obligation are particularly sensitive. The following table summarizes the impact on defined benefit obligation as at 31 March 2018 arising due to increase / decrease in key actuarial assumptions by 50 basis points:

	Discount rate	Salary escalation rate
Impact of increase	(11)	12
Impact of decrease	12	(11)

The sensitivity analysis presented may not be representative of the actual change in the defined benefit obligations as sensitivities have been calculated to show the movement in defined benefit obligations in isolation and assuming there are no other changes in market conditions. There have been no changes from the previous years in the methods and assumptions used in preparing the sensitivity analysis.

The defined benefit obligations are expected to mature after 31 March 2018 as follows:

Year ending 31 March,	Cash flows
- 2019	71
- 2020	74
- 2021	83
- 2022	94
- 2023	98
- Thereafter	1,732

The weighted average duration to the payment of these cash flows is 6.02 years.

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

Employers Contribution to Provident Fund

The actuary has provided a valuation and based on the assumptions mentioned below, there is no shortfall as at 31 March 2018 and 31 March 2017.

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

	31 March 2018	31 March 2017
Plan assets at the year end	2,826	2,496
Present value of benefit obligation at year end	2,826	2,496
Asset recognized in balance sheet	-	-

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

	31 March 2018	31 March 2017
Government of India (GOI) bond yield	7.60%	6.90%
Remaining term of maturity	8.51 years	8.61 years
Expected guaranteed interest rate	8.55%	8.65%

During the year ended 31 March 2018, the Group has contributed ₹ 124 crores (previous year, ₹ 112 crores) towards employer's contribution to provident fund.

3.32 Related party transactions

a) Related parties where control exists

Employee benefit trusts
Hindustan Instruments Limited Employees Provident Fund Trust
HCL Consulting Limited Employees Superannuation Scheme
HCL Comnet System and Services Limited Employees Provident Fund Trust.
Geometric Gratuity Trust
HCL South Africa Share Ownership Trust
HCL Technologies Stock Options Trust

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

Key Management Personnel
Mr. Shiv Nadar – Chairman and Chief Strategy Officer
Mr. C. Vijayakumar – President and Chief Executive Officer
Mr. Anil Chanana – Chief Financial Officer
Mr. Manish Anand – Company Secretary
Mr. Anant Gupta – Ex - President and Chief Executive Officer

Non-Executive & Independent Directors
Mr. Ramanathan Srinivasan
Mr. Keki Mistry
Ms. Robin Ann Abrams
Dr. Sosale Shankara Sastry
Mr. Subramanian Madhavan
Mr. Thomas Sieber
Ms. Nishi Vasudeva
Mr. Deepak Kapoor

Non-Executive & Non-Independent Directors
Ms. Roshni Nadar Malhotra
Mr. Sudhindar Krishan Khanna

Associates
CeleritiFintech Services Limited (and its subsidiaries) [refer note 2(a)(ii)]

Others (Significant influence)

HCL Infosystems Limited
HCL Avitas Private Limited
Vama Sundari Investments (Delhi) Private Limited
HCL Corporation Private Limited
SSN Investments (Pondi) Private Limited
Naksha Enterprises Private Limited
HCL Services Limited
HCL TalentCare Pvt. Ltd.
HCL Insys. Pte. Limited, Singapore
HCL IT City Lucknow Private Limited
HCL Infotech Limited
Shiv Nadar University
HCL Holding Private Limited
Easyaccess Financial Services Limited

Transactions with related parties during the normal course of business	Significant influence		Associates	
	Year ended		Year ended	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Revenue from operations	16	6	-	-
Purchase of materials and services	137	32	262	310
Payment for use of facilities	35	29	-	-
Purchase of capital equipments	10	1	-	10
Dividend Paid	993	2,014	-	-
Other expenses	10	7	-	-

Transactions with Key Managerial personnel during the year	Year ended	
	31 March 2018	31 March 2017
Compensation		
- Short-term employee benefits	39	37
- Other long-term employee benefits	16	-
Interest received by company on loan provided	-	1
Share-based payment		
- Exercised - No.'s (options)	-	2,860
- Exercise price - ₹	-	16
Dividend paid	-	1

Transactions with Directors during the year	Year ended	
	31 March 2018	31 March 2017
Commission & other benefits to Directors (includes sitting fees)	8	8

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

Outstanding balances	Significant influence		Associates	
	As at		As at	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Security deposits	14	13		-
Unbilled Revenue	-	1	-	-
Trade receivables	6	6	-	-
Other Assets	7	1	-	-
Capital Accounts Payable	2	-	-	3
Supplier Credit	125	19	-	-
Trade payables and other current liabilities	40	26	-	217

3.33 Research and development expenditure

	Year ended	
	31 March 2018	31 March 2017
Revenue	128	115
Capital	13	10
	141	**125**

3.34 Commitments and contingent liabilities

	As at	
	31 March 2018	31 March 2017
i) Capital and other commitments		
Capital commitments Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) [includes related party ₹1 crore (31 March 2017, ₹4 crores)]	361	541
Uncalled liability on other investments partly paid Capital commitment in limited liability partnership	3	5
ii) Contingent liabilities		
Others	1	1
	365	**547**

The Group is involved in various lawsuits, claims and proceedings that arise in the ordinary course of business, the outcome of which is inherently uncertain. Some of these matters include speculative and frivolous claims for substantial or indeterminate amounts of damages. The Group records a liability when it is both probable that a loss has been incurred and the amount can be reasonably estimated. Significant judgment is required to determine both probability and the estimated amount. The Group reviews these provisions at least quarterly and adjusts these provisions accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and updated information. The Group believes that the amount or estimable range of reasonably possible loss, will not, either individually or in the aggregate, have a material adverse effect on its business, consolidated financial position, results of the Group, or cash flows with respect to loss contingencies for legal and other contingencies as at 31 March 2018.

The Company and its various subsidiaries are required to comply with the local transfer pricing regulations, which are contemporaneous in nature. The Group appoints independent consultants annually for conducting transfer pricing studies to determine whether transactions with associate enterprises undertaken during the financial year, are on an arm's 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 transactions with associates are at arm's length so that the outcome of the studies to corroborate compliance with legislation will not have any material adverse impact on the financial statements.

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

3.35 Additional information under general instructions for the preparation of consolidated financial statements of Schedule III to the Companies Act, 2013

S. No.	Name of the Entity	Country of incorporation	Percentage holding as at 31 March 2018	Net Assets, i.e. total assets minus liabilities as at		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
				31 March 2018							
				As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount
Parent											
HCL Technologies Limited		India	NA	56.54	20,572	83.88	7,316	100.00	(281)	83.34	7,035
Subsidiaries											
Indian											
1	HCL Comnet Systems & Services Limited	India	100%	0.07	26	(0.07)	(6)	-	-	(0.08)	(6)
2	HCL Comnet Limited	India	100%	0.65	236	0.79	69	-	-	0.82	69
3	Statestreet HCL Services (India) Private Limited *	India	100%	0.88	319	0.93	81	-	-	0.97	81
4	HCL Eagle Limited **	India	100%	0.03	12	0.01	1	-	-	0.01	1
5	HCL Global Processing Services Limited	India	100%	0.10	36	0.06	5	-	-	0.06	5
6	HCL Technologies Solutions Limited	India	100%	0.02	7	0.01	1	-	-	0.01	1
7	Concept2Silicon Systems Private Limited	India	100%	0.03	9	-	-	-	-	-	-
8	HCL Training & Staffing Services Private Limited	India	100%	0.10	38	-	-	-	-	-	-
Foreign											
9	HCL Bermuda Limited	Bermuda	100%	(0.01)	1	(0.01)	(1)	-	-	(0.01)	(1)
10	HCL Technologies (Shanghai) Limited	China	100%	0.15	59	0.02	2	-	-	0.02	2
11	HCL Singapore Pte. Limited	Singapore	100%	0.33	121	0.49	42	-	-	0.50	42
12	HCL Great Britain Limited	UK	100%	0.40	147	0.58	51	-	-	0.60	51
13	HCL (Netherlands) BV	Netherlands	100%	0.05	18	0.14	12	-	-	0.15	12
14	HCL Belgium NV	Belgium	100%	0.19	68	0.07	6	-	-	0.07	6
15	HCL Sweden AB	Sweden	100%	0.21	76	0.11	10	-	-	0.12	10
16	HCL GmbH	Germany	100%	0.28	104	0.08	7	-	-	0.08	7
17	HCL Italy SRL	Italy	100%	0.05	17	0.02	1	-	-	0.02	1
18	HCL Australia Services Pty. Limited	Australia	100%	0.76	275	0.51	44	-	-	0.53	44
19	HCL (New Zealand) Limited	New Zealand	100%	0.14	50	0.12	10	-	-	0.12	10
20	HCL Hong Kong SAR Limited	Hong Kong	100%	0.09	33	0.06	6	-	-	0.07	6
21	HCL Japan Limited	Japan	100%	0.27	100	0.10	8	-	-	0.10	8
22	HCL America Inc.	USA	100%	18.41	6,700	4.41	385	-	-	4.56	385
23	HCL Technologies Austria GmbH	Austria	100%	0.02	8	0.08	7	-	-	0.08	7
24	HCL BPO Services (NI) Limited	UK	-	-	-	-	-	-	-	-	-
25	HCL Poland Sp.z.o.o	Poland	100%	(0.08)	(32)	0.13	11	-	-	0.14	11
26	HCL EAS Limited	UK	100%	0.17	63	0.31	27	-	-	0.32	27
27	HCL Insurance BPO Services Limited	UK	100%	(0.03)	(11)	(0.39)	(34)	-	-	(0.40)	(34)

Notes to consolidated financial statements for the year ended 31 March 2018

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

S. No.	Name of the Entity	Country of incorporation	Percentage holding as at 31 March 2018	Net Assets, i.e. total assets minus liabilities as at		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
				31 March 2018							
				As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount
28	HCL Expense Management Services Inc.	USA	-	-	-	0.46	40	-	-	0.47	40
29	Axon Group Limited	UK	100%	0.02	8	0.03	2	-	-	0.03	2
30	HCL Axon Technologies Inc.	Canada	100%	0.46	166	0.32	28	-	-	0.33	28
31	HCL Technologies Solutions GmbH	Switzerland	100%	0.03	8	0.06	5	-	-	0.06	5
32	Axon Solutions Pty. Limited	Australia	100%	0.03	12	-	-	-	-	-	-
33	Axon Solutions Limited	UK	100%	5.02	1,826	0.85	75	-	-	0.88	75
34	HCL Axon Malaysia Sdn. Bhd.	Malaysia	100%	0.15	55	0.22	19	-	-	0.23	19
35	Axon Solutions Singapore Pte. Limited	Singapore	100%	0.01	5	-	-	-	-	-	-
36	Axon Solutions (Shanghai) Co. Limited	China	100%	0.41	150	0.08	7	-	-	0.08	7
37	HCL Axon (Proprietary) Limited	South Africa	100%	1.18	429	0.46	40	-	-	0.47	40
38	HCL Argentina s.a.	Argentina	100%	0.01	4	(0.02)	(2)	-	-	(0.02)	(2)
39	HCL Mexico S. de R.L.	Mexico	100%	0.24	85	(0.01)	(1)	-	-	(0.01)	(1)
40	HCL Technologies Romania s.r.l.	Romania	100%	0.01	2	-	-	-	-	-	-
41	HCL Hungary Kft	Hungary	100%	0.03	8	0.01	1	-	-	0.01	1
42	HCL Latin America Holding LLC	USA	100%	-	1	-	-	-	-	-	-
43	HCL (Brazil) Technologia da informacao Ltda.	Brazil	100%	0.15	54	0.09	8	-	-	0.09	8
44	HCL Technologies Denmark Aps	Denmark	100%	0.37	136	0.18	16	-	-	0.19	16
45	HCL Technologies Norway AS	Norway	100%	0.11	41	0.31	27	-	-	0.32	27
46	PT. HCL Technologies Indonesia Limited	Indonesia	100%	0.04	15	0.01	1	-	-	0.01	1
47	HCL Technologies Philippines Inc.	Philippines	100%	0.11	38	0.06	5	-	-	0.06	5
48	HCL Technologies South Africa (Proprietary) Limited	South Africa	100%	0.08	30	(0.01)	(1)	-	-	(0.01)	(1)
49	HCL Arabia LLC	Saudi Arabia	100%	0.03	11	0.02	2	-	-	0.02	2
50	HCL Technologies France	France	100%	0.50	182	0.34	29	-	-	0.35	29
51	Filial Espanola De HCL Technologies S.L	Spain	100%	0.04	14	0.03	2	-	-	0.03	2
52	Anzospan Investments Pty Limited	South Africa	100%	0.01	3	(0.02)	(2)	-	-	(0.02)	(2)
53	HCL Investments (UK) Limited	UK	100%	-	-	-	-	-	-	-	-
54	HCL America Solutions Inc.	USA	100%	0.94	341	0.01	1	-	-	0.02	1
55	HCL Technologies Chile Spa	Chile	100%	0.08	28	0.04	3	-	-	0.04	3
56	HCL Technologies UK Limited	UK	100%	2.20	797	0.82	72	-	-	0.86	72

Notes to consolidated financial statements for the year ended 31 March 2018

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

S. No.	Name of the Entity	Country of incorporation	Percentage holding as at 31 March 2018	Net Assets, i.e. total assets minus liabilities as at		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
				31 March 2018							
				As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount
57	Statestreet HCL Holding UK Limited *	UK	100%	-	-	-	-	-	-	-	-
58	Statestreet HCL Services (Phillipines) Inc. *	Philippines	100%	0.08	29	0.06	5	-	-	0.06	5
59	HCL Technologies B.V.	Netherlands	100%	0.23	83	0.22	19	-	-	0.23	19
60	HCL (Ireland) Information Systems Limited	Ireland	100%	0.32	117	0.15	13	-	-	0.15	13
61	HCL Technologies Germany Gmbh	Germany	100%	0.42	153	0.35	31	-	-	0.36	31
62	HCL Technologies Belgium BVBA	Belgium	100%	0.08	30	0.08	7	-	-	0.08	7
63	HCL Technologies Sweden AB	Sweden	100%	1.92	700	1.37	120	-	-	1.41	120
64	HCL Technologies Finland Oy	Finland	100%	0.35	128	0.14	13	-	-	0.15	13
65	HCL Technologies Italy S.P.A	Italy	100%	0.11	38	0.05	4	-	-	0.05	4
66	HCL Technologies Columbia S.A.S	Columbia	100%	0.01	5	-	-	-	-	-	-
67	HCL Technologies Middle East FZ-LLC	UAE	100%	0.07	24	0.04	4	-	-	0.04	4
68	HCL Istanbul Bilisim Teknolojileri Limited Sirketi	Turkey	100%	0.03	10	0.03	2	-	-	0.03	2
69	HCL Technologies Greece Single Member P.C	Greece	100%	0.02	6	-	-	-	-	-	-
70	HCL Technologies S.A.	Venezuela	100%	-	-	(0.01)	(1)	-	-	(0.01)	(1)
71	HCL Technologies Beijing Co., Ltd	China	100%	-	-	(0.04)	(4)	-	-	(0.05)	(4)
72	HCL Technologies Luxembourg S.a r.l	Luxembourg	100%	-	2	-	-	-	-	-	-
73	HCL Technologies Egypt Limited	Egypt	100%	0.01	4	-	-	-	-	-	-
74	HCL Technologies Estonia OÜ	Estonia	100%	0.01	5	(0.02)	(2)	-	-	(0.02)	(2)
75	HCL Technologies (Thailand) Ltd.	Thailand	100%	0.06	21	0.02	2	-	-	0.02	2
76	HCL Technologies Czech Republic s.r.o.	Czech Republic	100%	-	1	-	-	-	-	-	-
77	HCL Muscat Technologies L.L.C.	Oman	100%	0.01	4	0.01	1	-	-	0.01	1
78	CeleritiFintech Limited	UK	-	-	-	0.02	1	-	-	0.02	1
79	CeleritiFintech USA, Inc.	USA	-	-	-	0.01	1	-	-	0.01	1
80	CeleritiFintech Australia Pty Limited	Australia	-	-	-	(0.01)	(1)	-	-	(0.01)	(1)
81	CeleritiFintech Italy S.R.L.	Germany	-	-	-	0.01	1	-	-	0.01	1
82	CeleritiFintech Germany GmbH	Italy	-	-	-	0.01	1	-	-	0.01	1
83	Powerteam, LLC	USA	100%	0.68	249	0.31	27	-	-	0.32	27
84	Point To Point Limited	UK	100%	0.13	48	(0.02)	(2)	-	-	(0.02)	(2)
85	Point To Point Products Limited	UK	100%	0.03	11	0.01	1	-	-	0.01	1

Notes to consolidated financial statements for the year ended 31 March 2018

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

S. No.	Name of the Entity	Country of incorporation	Percentage holding as at 31 March 2018	Net Assets, i.e. total assets minus liabilities as at		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
				31 March 2018							
				As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount
86	HCL Technologies Lithuania UAB	Lithuania	100%	0.01	5	0.01	1	-	-	0.02	1
87	HCL Technologies (Taiwan) Ltd.	China	100%	-	1	-	-	-	-	-	-
88	Geometric Americas, Inc.	USA	100%	0.83	301	0.11	10	-	-	0.11	10
89	Geometric Asia Pacific Pte. Ltd	Singapore	100%	0.09	33	0.10	9	-	-	0.10	9
90	Geometric Europe GmbH	Germany	100%	0.35	128	0.12	11	-	-	0.12	11
91	Geometric China, Inc.	China	100%	0.03	13	(0.02)	(2)	-	-	(0.02)	(2)
92	Geometric SRL	Romania	100%	0.01	4	-	-	-	-	-	-
93	Geometric SAS	France	100%	0.07	27	0.03	3	-	-	0.03	3
94	Butler America Aerospace LLC	USA	100%	1.58	574	0.24	21	-	-	0.25	21
95	HCL Mortgage Holding LLC	USA	100%	(0.19)	(70)	(0.07)	(6)	-	-	(0.07)	(6)
96	Urban Fulfillment Services LLC	USA	100%	0.37	130	(0.27)	(23)	-	-	(0.27)	(23)
97	ETL Factory Limited	Scotland	100%	0.20	71	0.04	4	-	-	0.04	4
98	HCL Technologies Corporate Services Limited	UK	100%	-	-	-	-	-	-	-	-
Associates											
Foreign											
99	CeleritiFintech Services Limited	UK	-	-	-	0.14	13	-	-	0.14	13
Total				100.00	36,386	100.00	8,722	100.00	(281)	100.00	8,441
Non controlling interest					-		(1)		-		(1)
Consolidation adjustments					-		-		541		541
Consolidated Net assets / Profit after tax					**36,386**		**8,721**		**260**		**8,981**

Note: Dividend received from subsidiaries has been excluded from profits.

* The Group has equity interest of 49% and 100% dividend rights and control

** During the year the Company has acquired the remaining 8,000 equity shares of ₹10/- each of HCL Eagle Limited for a purchase consideration of ₹80,000/- thereby making it a wholly owned subsidiary.

Notes to consolidated financial statements for the year ended 31 March 2018

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

3.35 Additional information under general instructions for the preparation of consolidated financial statements of Schedule III to the Companies Act, 2013

S. No.	Name of the Entity	Country of incorporation	Percentage holding as at 31 March 2017	Net Assets, i.e. total assets minus liabilities as at		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
				31 March 2017							
				As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount
Parent											
HCL Technologies Limited		India	NA	60.99	20,202	79.67	6,857	100.00	431	80.65	7,288
Subsidiaries											
Indian											
1	HCL Comnet Systems & Services Limited	India	100%	0.12	40	0.03	2	-	-	0.03	2
2	HCL Comnet Limited	India	100%	0.42	138	(0.54)	(47)	-	-	(0.52)	(47)
3	Statestreet HCL Services (India) Private Limited *	India	100%	0.73	240	1.02	87	-	-	0.97	87
4	HCL Eagle Limited	India	92%	0.05	18	0.04	3	-	-	0.04	3
5	HCL Global Processing Services Limited	India	100%	0.08	27	0.08	7	-	-	0.08	7
6	HCL Technologies Solutions Limited	India	100%	0.02	6	-	-	-	-	-	-
7	Concept2Silicon Systems Private Limited	India	100%	0.03	10	(0.01)	(1)	-	-	(0.01)	(1)
8	HCL Training & Staffing Services Private Limited	India	100%	0.11	37	0.38	33	-	-	0.36	33
Foreign											
9	HCL Bermuda Limited	Bermuda	100%	0.01	2	(0.03)	(4)	-	-	(0.04)	(4)
10	HCL Technologies (Shanghai) Limited	China	100%	0.05	18	0.06	5	-	-	0.06	5
11	HCL Singapore Pte. Limited	Singapore	100%	0.26	87	1.26	108	-	-	1.20	108
12	HCL Great Britain Limited	UK	100%	0.48	158	0.71	61	-	-	0.67	61
13	HCL (Netherlands) BV	Netherlands	100%	0.15	49	0.15	13	-	-	0.14	13
14	HCL Belgium NV	Belgium	100%	0.19	64	0.10	7	-	-	0.08	7
15	HCL Sweden AB	Sweden	100%	0.33	108	0.03	3	-	-	0.03	3
16	HCL GmbH	Germany	100%	0.26	85	0.25	21	-	-	0.24	21
17	HCL Italy SRL	Italy	100%	0.06	21	0.01	1	-	-	0.01	1
18	HCL Australia Services Pty. Limited	Australia	100%	0.28	92	0.52	45	-	-	0.49	45
19	HCL (New Zealand) Limited	New Zealand	100%	0.12	41	0.13	11	-	-	0.12	11
20	HCL Hong Kong SAR Limited	Hong Kong	100%	0.13	44	0.09	8	-	-	0.09	8
21	HCL Japan Limited	Japan	100%	0.22	74	0.00	-	-	-	-	-
22	HCL America Inc.	USA	100%	10.17	3,368	7.07	608	-	-	6.73	608
23	HCL Technologies Austria GmbH	Austria	100%	0.01	3	-	-	-	-	-	-
24	HCL BPO Services (NI) Limited	UK	-	0.03	11	0.62	52	-	-	0.58	52
25	HCL Poland Sp.z.o.o	Poland	100%	(0.10)	(33)	0.27	23	-	-	0.26	23
26	HCL EAS Limited	UK	100%	(0.07)	(22)	(0.03)	(2)	-	-	(0.02)	(2)
27	HCL Insurance BPO Services Limited	UK	100%	0.02	8	0.05	4	-	-	0.04	4
28	HCL Expense Management Services Inc.	USA	100%	0.42	140	-	-	-	-	-	-
29	Axon Group Limited	UK	100%	0.03	10	0.01	1	-	-	0.01	1
30	HCL Axon Technologies Inc.	Canada	100%	0.41	137	1.42	122	-	-	1.35	122
31	HCL Technologies Solutions GmbH	Switzerland	100%	0.10	29	0.03	3	-	-	0.03	3
32	Axon Solutions Pty. Limited	Australia	100%	0.05	15	0.02	2	-	-	0.02	2
33	Axon Solutions Inc.	USA	100%	7.83	2,594	0.56	48	-	-	0.54	48
34	Axon Solutions Limited	UK	100%	4.87	1,615	1.03	89	-	-	0.99	89

Notes to consolidated financial statements for the year ended 31 March 2018

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

S. No.	Name of the Entity	Country of incorporation	Percentage holding as at 31 March 2017	Net Assets, i.e. total assets minus liabilities as at		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
				31 March 2017							
				As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount
35	HCL Axon Malaysia Sdn. Bhd.	Malaysia	100%	0.08	27	0.23	20	-	-	0.22	20
36	Axon Solutions Singapore Pte. Limited	Singapore	100%	-	-	-	-	-	-	-	-
37	Axon Solutions (Shanghai) Co. Limited	China	100%	0.25	83	0.20	17	-	-	0.19	17
38	HCL Axon (Proprietary) Limited	South Africa	100%	0.95	314	0.52	45	-	-	0.50	45
39	HCL Argentina s.a.	Argentina	100%	0.01	3	0.01	1	-	-	0.01	1
40	HCL Mexico S. de R.L.	Mexico	100%	0.20	64	(0.01)	(1)	-	-	(0.01)	(1)
41	HCL Technologies Romania s.r.l.	Romania	100%	0.01	3	-	-	-	-	-	-
42	HCL Hungary Kft	Hungary	100%	0.01	4	-	-	-	-	-	-
43	HCL Latin America Holding LLC	USA	100%	-	1	-	-	-	-	-	-
44	HCL (Brazil) Technologia da informacao Ltda.	Brazil	100%	0.09	31	0.06	6	-	-	0.07	6
45	HCL Technologies Denmark Aps	Denmark	100%	0.19	62	0.10	9	-	-	0.09	9
46	HCL Technologies Norway AS	Norway	100%	0.32	105	0.20	18	-	-	0.18	18
47	PT. HCL Technologies Indonesia Limited	Indonesia	100%	0.05	17	-	-	-	-	-	-
48	HCL Technologies Philippines Inc.	Philippines	100%	0.10	32	0.23	20	-	-	0.22	20
49	HCL Technologies South Africa (Proprietary) Limited	South Africa	100%	0.05	18	-	-	-	-	-	-
50	HCL Arabia LLC	Saudi Arabia	100%	0.03	10	0.05	4	-	-	0.05	4
51	HCL Technologies France	France	100%	0.54	178	0.26	23	-	-	0.25	23
52	Filial Espanola De HCL Technologies S.L	Spain	100%	0.03	10	0.02	2	-	-	0.02	2
53	Anzospan Investments Pty Limited	South Africa	100%	-	-	-	-	-	-	-	-
54	HCL Investments (UK) Limited	UK	100%	-	-	-	-	-	-	-	-
55	HCL America Solutions Inc.	USA	100%	0.62	206	(0.03)	(2)	-	-	(0.03)	(2)
56	HCL Technologies Chile Spa	Chile	100%	0.06	18	0.05	4	-	-	0.05	4
57	HCL Technologies UK Limited	UK	100%	0.65	216	0.39	33	-	-	0.37	33
58	Statestreet HCL Holding UK Limited*	UK	100%	-	-	-	-	-	-	-	-
59	Statestreet HCL Services (Phillipines) Inc.*	Philippines	100%	0.08	27	0.11	10	-	-	0.11	10
60	HCL Technologies B.V.	Netherlands	100%	0.03	9	0.08	7	-	-	0.07	7
61	HCL (Ireland) Information Systems Limited	Ireland	100%	-	1	0.06	5	-	-	0.06	5
62	HCL Technologies Germany Gmbh	Germany	100%	0.18	61	0.16	14	-	-	0.15	14
63	HCL Technologies Belgium BVBA	Belgium	100%	0.06	19	0.03	3	-	-	0.03	3
64	HCL Technologies Sweden AB	Sweden	100%	1.38	458	1.55	134	-	-	1.48	134
65	HCL Technologies Finland Oy	Finland	100%	0.01	2	0.08	7	-	-	0.08	7
66	HCL Technologies Italy S.P.A	Italy	100%	(0.03)	(10)	0.03	2	-	-	0.03	2
67	HCL Technologies Columbia S.A.S	Columbia	100%	0.01	4	(0.01)	(1)	-	-	(0.01)	(1)
68	HCL Technologies Middle East FZ-LLC	UAE	100%	0.07	23	(0.04)	(3)	-	-	(0.04)	(3)
69	HCL Istanbul Bilisim Teknolojileri Limited Sirketi	Turkey	100%	0.04	12	0.05	4	-	-	0.05	4
70	HCL Technologies Greece Single Member P.C	Greece	100%	0.01	4	-	-	-	-	-	-
71	HCL Technologies S.A.	Venezuela	100%	0.01	4	0.03	3	-	-	0.03	3

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

S. No.	Name of the Entity	Country of incorporation	Percentage holding as at 31 March 2017	Net Assets, i.e. total assets minus liabilities as at		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
				31 March 2017							
				As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount
72	HCL Technologies Beijing Co., Ltd	China	100%	0.02	6	0.01	1	-	-	0.01	1
73	HCL Technologies Luxembourg S.a r.l	Luxembourg	100%	0.01	2	-	-	-	-	-	-
74	HCL Technologies Egypt Limited	Egypt	100%	0.01	4	(0.02)	(2)	-	-	(0.02)	(2)
75	HCL Technologies Estonia OÜ	Estonia	100%	0.01	4	-	-	-	-	-	-
76	HCL Technologies (Thailand) Ltd.	Thailand	100%	0.03	11	-	-	-	-	-	-
77	HCL Technologies Czech Republic s.r.o.	Czech Republic	100%	(0.01)	(3)	0.01	1	-	-	0.01	1
78	HCL Muscat Technologies L.L.C.	Oman	100%	-	2	-	-	-	-	-	-
79	CeleritiFintech Limited	UK	51%	0.62	206	(0.05)	(4)	-	-	(0.04)	(4)
80	CeleritiFintech USA, Inc.	USA	51%	0.01	2	0.02	2	-	-	0.02	2
81	CeleritiFintech Australia Pty Limited	Australia	51%	0.01	4	0.01	1	-	-	0.01	1
82	CeleritiFintech Italy S.R.L.	Germany	51%	0.01	3	0.01	1	-	-	0.01	1
83	CeleritiFintech Germany GmbH	Italy	51%	-	1	0.01	-	-	-	-	-
84	Powerteam, LLC	USA	100%	0.69	229	0.36	31	-	-	0.34	31
85	Point To Point Limited	UK	100%	0.11	37	(0.05)	(4)	-	-	(0.04)	(4)
86	Point To Point Products Limited	UK	100%	0.03	10	0.01	1	-	-	0.01	1
87	HCL Technologies Lithuania UAB	Lithuania	100%	0.04	12	-	-	-	-	-	-
88	HCL Technologies (Taiwan) Ltd.	China	100%	-	1	-	-	-	-	-	-
89	Geometric Americas, Inc.	USA	100%	0.84	278	0.21	18	-	-	0.19	18
90	Geometric Asia Pacific Pte. Ltd	Singapore	100%	0.07	22	0.02	1	-	-	0.01	1
91	Geometric Europe GmbH	Germany	100%	0.32	105	0.02	2	-	-	0.02	2
92	Geometric China, Inc.	China	100%	0.03	9	(0.02)	(1)	-	-	(0.01)	(1)
93	Geometric SRL	Romania	100%	0.01	3	0.02	2	-	-	0.02	2
94	Geometric SAS	France	100%	0.12	39	-	-	-	-	-	-
95	Butler America Aerospace LLC	USA	100%	1.69	557	-	-	-	-	-	-
Associates											
Foreign											
96	CeleritiFintech Services Limited	UK	49%	0.38	126	0.02	2	-	-	0.02	2
tax				100.00	33,122	100.00	8,606	100.00	431	100.00	9,037
Non controlling interest					(173)		-		(38)		(38)
Consolidation adjustments					-		-		(694)		(694)
Consolidated Net assets / Profit after tax					**32,949**		**8,606**		**(301)**		**8,305**

Note: Dividend received from subsidiaries has been excluded from profits.
* The Group has equity interest of 49% and 100% dividend rights and control.

3.36 Subsequent events

Acquisition of C3i Solutions

On 6 April 2018, the Group through a wholly owned subsidiary has entered into an agreement to acquire 100% shareholding of Telerx Marketing, Inc. (doing business as C3i Solutions), a provider of Multi-channel customer engagement services for the life sciences and consumer packaged goods (CPG) industries for the purchase consideration of ₹391 crores (USD 60 million) payable in cash. With this acquisition, the Group will complement its broad-based IT and business services capability with the additional depth that C3i has in the life sciences and CPG verticals.

Notes to consolidated financial statements for the year ended 31 March 2018
(All amounts in crores of ₹, except share data and as stated otherwise)

Acquisition of Actian Corporation

On April 12, 2018, the Group and Sumeru Equity Partners (SEP), a technology and growth-focused private equity firm, have signed a definitive agreement to acquire Actian Corporation, a provider of a hybrid data management company. The all-cash deal is valued at ₹2151 crores (USD 330 million). The Group will own 80 percent and SEP will own 19.5% percent stake of Actian Corporation while balance 0.5% stake will be held by Actian CEO. The acquisition is proposed to be funded through mix of Equity and Debt where the Group, SEP and Actian CEO will be contributing ₹1,069 crores (USD 164 million), ₹261 crores (USD 40 million) and ₹6 crores (USD 1 million) respectively and balance amount through debt of ₹815 crores (USD 125 million) to be contributed by the Group.

The acquisition is part of the Group's strategy to augment its capabilities in the data management products and platforms.

3.37 Previous year comparatives

The Company has changed its presentation from "₹ in crores upto two decimals" to "₹ in crores" and accordingly, amounts less than ₹0.50 crore are rounded off to Nil.

As per our report of even date

FOR S. R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E / E300005
Chartered Accountants

per Nilangshu Katriar
Partner
Membership Number: 58814

Gurgaon, India
2 May 2018

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

Shiv Nadar
Chairman and
Chief Strategy Officer

S. Madhavan
Director

C. Vijayakumar
President and
Chief Executive Officer

Anil Chanana
Chief Financial Officer

Prahlad Rai Bansal
Deputy Chief Financial Officer

Manish Anand
Company Secretary

Noida (UP), India
2 May 2018

Statement containing the salient features of the financial statements of subsidiaries/ associates companies

[Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-I]

(Amount in ₹ Thousand)

S.No	Name of the Subsidiary Company	Date of acquisition / incorporation	Financial period ended	Reporting Currency	Exchange Rate as on respective balance sheet date	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (other than in subsidiar-ies)	Turnover	Profit/ (Loss) before taxation	Provision for taxation	Profit/ (Loss) after taxation	Pro-posed Dividend	Extent of shareholding (in percentage)
1	HCL Comnet Systems & Services Limited	24-Aug-99	31-Mar-18	INR	1.00	12,800	128,098	534,975	394,077	87,326	442,339	(67,657)	(14,295)	(53,362)	-	100%
2	HCL Comnet Limited	8-Aug-01	31-Mar-18	INR	1.00	9,499	2,631,600	4,542,800	1,901,701	1,310,776	3,105,962	398,200	(307,400)	705,600	-	100%
3	HCL Bermuda Limited	10-Dec-97	31-Mar-18	USD	65.18	29,036,087	16,531,066	46,979,885	1,412,732	-	-	166,657	-	166,657	-	100%
4	HCL Technologies (Shanghai) Limited	23-Jul-07	31-Dec-17	CNY	9.81	150,302	299,672	1,255,252	805,278	-	925,874	37,999	18,175	19,824	-	100%
5	HCL Eagle limited	14-Sep-11	31-Mar-18	INR	1.00	1,000	117,057	120,209	2,152	118,410	-	8,036	1,960	6,076	-	100%
6	HCL Singapore Pte. Limited	1-Jan-03	31-Mar-18	SGD	49.82	101,394	2,460,120	5,296,137	2,734,623	-	9,703,320	538,086	95,942	442,144	-	100%
7	HCL Training & Staffing Services Private Limited	29-Feb-16	31-Mar-18	INR	1.00	17,513	322,416	501,470	161,541	353,944	495,629	6,850	7,922	(1,072)	-	100%
8	HCL Great Britain Limited	7-Jan-97	31-Mar-18	GBP	91.60	968,089	1,883,144	7,022,595	4,171,362	-	14,774,735	1,216,221	113,951	1,102,270	-	100%
9	HCL (Netherlands) BV	5-Mar-98	31-Mar-18	EUR	80.81	1,467	197,534	1,850,540	1,651,539	-	3,555,765	173,921	43,900	130,021	-	100%
10	HCL Belgium NV	6-Mar-98	31-Mar-18	EUR	80.81	288,337	78,971	916,686	549,378	-	1,363,213	103,511	39,026	64,485	-	100%
11	HCL Sweden AB	12-Jan-98	31-Mar-18	SEK	7.82	782	802,260	1,941,833	1,138,791	-	3,992,909	125,752	52,097	73,655	-	100%
12	HCL GmbH	23-Feb-98	31-Mar-18	EUR	80.81	2,077	507,847	2,028,811	1,518,887	-	4,475,517	151,977	41,739	110,238	-	100%
13	HCL Italy SRL	02-July-98	31-Mar-18	EUR	80.81	824	202,080	253,631	50,727	-	175,434	18,365	(8,497)	26,862	-	100%
14	HCL Australia Services Pty. Limited	21-May-98	31-Mar-18	AUD	50.16	56,553	1,477,323	5,687,732	4,153,856	-	15,755,935	746,144	246,407	499,737	-	100%
15	HCL (New Zealand) Limited	28-Jan-98	31-Mar-18	NZD	47.17	2,189	287,663	712,582	422,730	-	2,069,485	145,461	34,517	110,944	-	100%
16	HCL Hong Kong SAR Limited	5-Jun-98	31-Mar-18	HKD	8.31	1,604	226,547	600,643	372,492	-	964,504	71,150	15,001	56,149	-	100%
17	HCL Japan Limited	10-Feb-98	31-Mar-18	JPY	0.61	135,000	128,000	2,610,000	2,347,000	-	6,465,000	190,000	112,000	78,000	-	100%
18	HCL America Inc. (Note 6)	17-Jan-95	31-Mar-18	USD	65.18	487,000	52,180,000	106,020,000	53,353,000	267,000	239,997,000	10,227,000	2,542,000	7,685,000	-	100%
19	HCL Technologies Austria GmbH	1-Mar-97	31-Mar-18	EUR	80.81	38,172	6,799,761	7,187,555	349,622	-	367,365	13,883	1,163	12,720	-	100%
20	HCL Global Processing Services Limited	22-Feb-99	31-Mar-18	INR	1.00	1,061	389,869	418,284	27,354	361,206	73,299	(24,682)	21,548	(46,230)	-	100%
21	HCL Technologies (Taiwan) Ltd.	15-Dec-16	31-Mar-18	TWD	2.23	11,175	357	13,160	1,628	-	4,715	3,847	654	3,193	-	100%
22	HCL Technologies Lithuania UAB	26-Aug-16	31-Mar-18	EUR	80.81	29,091	17,928	101,426	54,407	-	280,038	15,860	2,377	13,483	-	100%
23	HCL Technologies Solutions Limited	1-Jul-08	31-Mar-18	INR	1.00	10,501	48,108	58,762	153	36,159	-	388	2,678	(2,290)	-	100%
24	HCL Poland Sp.z.o.o (Note 8)	31-May-07	31-Mar-18	PLN	19.09	264,362	394,045	2,370,254	1,711,847	-	6,568,856	394,070	84,775	309,295	-	100%
25	HCL EAS Limited	11-Sep-08	31-Mar-18	USD	65.18	10,269,406	(201,555)	50,572,756	40,504,905	-	283,589	1,960,071	36,082	1,923,989	-	100%
26	HCL Insurance BPO Services Limited	1-Sep-08	31-Mar-18	GBP	91.60	742,898	(214,992)	1,228,576	700,670	-	1,982,376	(337,831)	-	(337,831)	-	100%
27	Axon Group Limited	15-Dec-08	31-Mar-18	GBP	91.60	62,107	18,228,388	18,295,624	5,129	-	-	1,659,658	14,290	1,645,368	-	100%
28	HCl Axon Technologies Inc.	15-Dec-08	31-Mar-18	CAD	50.60	10,500	2,644,300	4,893,100	2,238,300	-	7,527,600	373,800	112,600	261,200	-	100%
29	HCL Technologies Solutions GmbH	15-Dec-08	31-Mar-18	CHF	68.37	8,204	86,652	481,323	386,467	-	1,118,799	81,376	18,162	63,214	-	100%
30	Axon Solutions Pty. Limited	15-Dec-08	31-Mar-18	AUD	50.16	1,084,777	(943,385)	145,793	4,401	-	-	5,403	(389)	5,792	-	100%
31	Axon Solutions Limited	15-Dec-08	31-Mar-18	GBP	91.60	92	3,330,467	5,700,762	2,370,203	-	9,147,258	759,931	102,862	657,069	-	100%
32	HCL Axon Malaysia Sdn. Bhd.	15-Dec-08	31-Mar-18	MYR	16.86	1,350,572	127,397	2,027,524	549,555	-	2,267,958	263,128	55,841	207,287	-	100%
33	Axon Solutions Singapore Pte. Limited	15-Dec-08	31-Mar-18	SGD	49.82	4,982	(62,324)	72,380	129,722	-	88,199	7,265	1,041	6,224	-	100%
34	Axon Solutions (Shanghai) Co. Limited	15-Dec-08	31-Dec-17	CNY	9.81	20,306	720,638	2,117,228	1,376,284	-	1,698,733	201,533	64,356	137,177	-	100%
35	HCL Axon (Proprietary) Limited	15-Dec-08	31-Mar-18	ZAR	5.54	481,606	2,669,222	4,831,047	1,680,219	-	4,305,520	577,170	151,202	425,968	-	100%
36	HCL Argentina s.a.	27-Jul-09	31-Mar-18	ARS	3.23	9,581	19,272	130,943	102,090	-	79,530	4,575	(6,606)	11,181	-	100%
37	HCL Mexico S. de R.L.	25-Jun-09	31-Dec-17	MXN	3.25	148,422	41,805	1,603,078	1,412,851	-	2,683,495	116,113	38,975	77,138	-	100%
38	HCL Technologies Romania s.r.l.	28-May-09	31-Dec-17	RON	16.43	5,806	7,673	43,579	30,100	-	43,689	5,537	628	4,909	-	100%
39	HCL Hungary Kft	12-May-09	31-Mar-18	HUF	0.26	2,312	16,582	101,934	83,040	-	117,118	16,400	1,424	14,976	-	100%
40	HCL Latin America Holding LLC	30-Mar-09	31-Mar-18	INR	1.00	864,998	12	980,468	115,458	-	-	(5,308)	-	(5,308)	-	100%
41	HCL (Brazil) Technologia da informacao Ltda.	30-Dec-08	31-Dec-17	BRL	19.28	588,279	(398,262)	1,174,915	984,898	-	1,599,171	12,476	(7,339)	19,815	-	100%
42	HCL Technologies Denmark Apps	23-Jun-10	31-Mar-18	DKK	10.77	35,195	367,158	2,193,549	1,791,196	-	4,361,464	206,887	45,773	161,114	-	100%
43	HCL Technologies Norway AS	9-Jun-10	31-Mar-18	NOK	8.29	24,811	942,026	3,830,948	2,864,111	-	7,492,440	358,282	82,661	275,621	-	100%
44	PT. HCL Technologies Indonesia Limited	13-Aug-10	31-Mar-18	IDR	0.00	49,297	(5,487)	181,148	137,338	-	192,351	12,421	3,685	8,736	-	100%

Statement containing the salient features of the financial statements of subsidiaries/ associates companies

[Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-I]

(Amount in ₹ Thousand)

S.No	Name of the Subsidiary Company	Date of acquisition / incorporation	Financial period ended	Reporting Currency	Exchange Rate as on respective balance sheet date	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (other than in subsidiar-ies)	Turnover	Profit/ (Loss) before taxation	Provision for taxation	Profit/ (Loss) after taxation	Pro-posed Dividend	Extent of shareholding (in percentage)
45	HCL Technologies Philippines Inc.	24-Nov-10	31-Mar-18	PHP	1.25	338,383	300,411	828,957	190,163	-	1,208,912	83,041	9,676	73,365	-	100%
46	HCL Technologies South Africa (Proprietary) Limited	14-Sep-10	31-Mar-18	ZAR	5.54	16,469	220,046	289,004	52,489	-	75,002	18,122	11,359	6,763	-	100%
47	HCL Arabia LLC	8-May-11	31-Dec-17	SAR	17.03	103,892	11,715	156,550	40,943	-	155,267	34,181	7,186	26,995	-	100%
48	HCL Technologies France	7-Mar-11	31-Mar-18	EUR	80.81	203,313	605,892	4,287,673	3,478,468	-	7,491,399	356,698	107,548	249,150	-	100%
49	Filial Espanola De HCL Technologies S.L	12-Jan-11	31-Mar-18	EUR	80.81	24,242	60,989	336,086	250,855	-	640,958	35,017	8,755	26,262	-	100%
50	Anzospan Investments Pty Limited	15-Mar-11	31-Mar-18	ZAR	5.19	467,118	(6,486)	491,699	31,067	-	-	413,675	-	413,675	-	100%
51	HCL Investments (UK) Limited	9-Nov-11	31-Mar-18	GBP	91.60	586,725	(2,902)	586,313	2,490	-	-	(410)	(78)	(332)	-	100%
52	HCL America Solutions Inc.	26-Jun-12	31-Mar-18	USD	65.18	700	(10,300)	3,611,600	3,621,200	-	13,318,000	25,500	16,500	9,000	-	100%
53	HCL Technologies Chile Spa	10-Jun-13	31-Dec-17	CLP	0.10	62,566	126,498	386,647	197,583	-	528,625	47,614	14,131	33,483	-	100%
54	HCL Technologies UK Limited	20-Aug-13	31-Mar-18	GBP	91.60	2,953,548	1,524,270	23,776,050	19,298,232	157,763	26,030,760	1,101,798	233,037	868,761	-	100%
55	HCL Technologies B.V.	19-Sep-13	31-Mar-18	EUR	80.81	8,081	297,243	3,906,126	3,600,802	-	6,258,164	275,007	70,126	204,881	-	100%
56	HCL (Ireland) Information Systems Limited	29-Oct-13	31-Mar-18	EUR	80.81	8,081	233,168	2,406,364	2,165,115	-	4,657,340	163,625	28,362	135,263	-	100%
57	HCL Technologies Germany Gmbh	21-Nov-13	31-Mar-18	EUR	80.81	8,081	412,740	3,377,535	2,956,714	-	7,572,856	446,062	122,340	323,722	-	100%
58	HCL Technologies Belgium BVBA	25-Nov-13	31-Mar-18	EUR	80.81	8,081	(6,542)	966,441	964,902	-	1,242,623	33,785	14,857	18,928	-	100%
59	HCL Technologies Sweden AB	18-Dec-13	31-Mar-18	SEK	7.82	10,787	4,761,378	18,773,149	14,000,984	-	31,886,258	1,095,183	272,584	822,599	-	100%
60	HCL Technologies Finland Oy	14-Jan-14	31-Mar-18	EUR	80.81	8,081	244,033	1,607,547	1,355,433	-	2,931,074	167,069	33,559	133,510	-	100%
61	HCL Technologies Italy S.P.A	29-Jul-14	31-Mar-18	EUR	80.81	229,495	139,900	1,634,921	1,265,526	-	2,467,230	52,306	22,311	29,995	-	100%
62	HCL Technologies Columbia S.A.S	6-Aug-14	31-Dec-17	COP	0.02	17,902	(28,575)	106,552	117,225	-	46,263	(2,482)	13,932	(16,414)	-	100%
63	HCL Technologies Middle East FZ-LLC	19-Aug-14	31-Mar-18	AED	17.73	64,728	(16,882)	302,622	254,776	-	486,683	30,053	-	30,053	-	100%
64	HCL Istanbul Bilisim Teknolojileri Limited Sirketi	30-Sep-14	31-Mar-18	TRY	16.26	1,626	74,300	184,264	108,338	-	264,373	38,665	8,881	29,784	-	100%
65	HCL Technologies Greece Single Member P.C	30-Sep-14	31-Mar-18	EUR	80.81	35,636	4,790	72,343	31,917	-	57,850	5,351	1,560	3,791	-	100%
66	HCL Technologies S.A.	20-Nov-14	31-Mar-18	VEF	0.00	822	(2,739)	654	2,571	-	6,597	(1,708)	-	(1,708)	-	100%
67	HCL Technologies Beijing Co. Ltd	6-Feb-15	31-Dec-17	CNY	9.81	62,027	16,652	299,020	220,341	-	184,845	17,591	6,641	10,950	-	100%
68	HCL Technologies Luxembourg S.a r.l	12-Feb-15	31-Mar-18	EUR	80.81	4,040	27,410	36,600	5,150	-	38,590	1,914	205	1,709	-	100%
69	HCL Technologies Egypt Limited	22-Mar-15	31-Mar-18	EGP	3.69	17,176	(8,466)	39,444	30,734	-	17,525	525	83	442	-	100%
70	HCL Technologies Estonia OÜ	8-Jun-15	31-Mar-18	EUR	80.81	16,162	(19,777)	69,293	72,908	-	4,905	(6,902)	-	(6,902)	-	100%
71	HCL Technologies (Thailand) Ltd.	10-Jun-15	31-Mar-18	THB	2.08	40,897	25,031	249,463	183,535	-	289,116	31,680	7,646	24,034	-	100%
72	HCL Technologies Czech Republic s.r.o.	28-Aug-15	31-Dec-17	CZK	3.00	54,656	(30,626)	182,410	158,380	-	542,207	(24,791)	(6,460)	(18,331)	-	100%
73	HCL Muscat Technologies L.L.C.	17-Dec-15	31-Mar-18	OMR	169.30	29,408	10,087	59,188	19,693	-	74,398	8,072	1,351	6,721	-	100%
74	Concept2Silicon Systems Private Limited	15-Oct-15	31-Mar-18	INR	1.00	150	20,943	37,526	16,433	-	29,898	11,768	2,606	9,162	-	100%
75	Powerteam, LLC	28-Oct-15	31-Mar-18	USD	65.18	81	2,375,867	2,795,356	419,408	-	4,352,296	264,783	117,018	147,765	-	100%
76	Point To Point Limited	22-Jan-16	31-Mar-18	GBP	91.60	15,071	89,627	111,256	6,558	-	31,993	805	123	682	-	100%
77	Point to Point Products Limited #	22-Jan-16	31-Mar-18	GBP	91.60	-	38,934	99,228	60,294	-	186,850	10,377	(518)	10,895	-	100%
78	Statestreet HCL Holding UK Limited (Note 7)	9-Dec-11	31-Mar-18	GBP	91.60	585,840	(3,329)	584,988	2,477	-	-	(395)	(75)	(320)	-	100%
79	Statestreet HCL Services (India) Private Limited (Note 7)	6-Jan-12	31-Mar-18	INR	1.00	393,693	2,705,929	3,502,535	402,913	-	2,708,674	1,045,260	226,415	818,845	-	100%
80	Statestreet HCL Services (Phillipines) Inc. (Note 7)	20-Jun-13	31-Mar-18	PHP	1.25	106,853	175,002	387,439	105,584	-	474,621	88,897	35,970	52,927	-	100%
81	Geometric Europe GmbH	1-Apr-16	31-Mar-18	EUR	80.81	1,135,354	(914,695)	991,554	770,895	-	1,496,678	(445,500)	33,087	(478,587)	-	100%
82	Geometric Asia Pacific Pte. Ltd	1-Apr-16	31-Mar-18	SGD	49.82	4,982	213,226	553,629	335,421	-	498,462	99,683	5,813	93,870	-	100%
83	Geometric China, Inc.	1-Apr-16	31-Dec-17	CNY	9.81	32,197	(437)	160,390	128,630	-	233,918	(28,386)	-	(28,386)	-	100%
84	Geometric Americas, Inc.	1-Apr-16	31-Mar-18	USD	65.18	786,222	154,658	2,047,842	1,106,962	-	5,058,232	155,779	10,381	145,398	-	100%
85	Geometric SRL	1-Apr-16	31-Dec-17	RON	16.43	5	63,168	69,594	6,421	-	49,592	4,448	850	3,598	-	100%

Statement containing the salient features of the financial statements of subsidiaries/ associates companies

[Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-I]

(Amount in ₹ Thousand)

S.No	Name of the Subsidiary Company	Date of acquisition / incorporation	Financial period ended	Reporting Currency	Exchange Rate as on respective balance sheet date	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (other than in subsidiar-ies)	Turnover	Profit/ (Loss) before taxation	Provision for taxation	Profit/ (Loss) after taxation	Pro-posed Dividend	Extent of shareholding (in percentage)
86	Geometric SAS	1-Apr-16	31-Mar-18	EUR	80.81	196,929	(44,044)	495,384	342,499	-	884,853	46,951	-	46,951	-	100%
87	Butler America Aerospace LLC	3-Jan-17	31-Mar-18	USD	65.18	701,394	185,427	1,367,903	481,082	-	5,351,085	613,714	256,087	357,627	-	100%
88	HCL Foundation	30-Dec-14	31-Mar-18	INR	1.00	500	(189)	361	50	-	-	(48)	-	(48)	-	100%
89	Urban Fulfillment Services LLC (Note 5)	23-Aug-17	31-Dec-17	USD	63.86	228,443	(45,885)	631,392	448,834	-	695,331	(45,885)	-	(45,885)	-	100%
90	ETL Factory Limited (Note 5)	1-Sep-17	31-Mar-18	GBP	91.60	11	242,912	386,241	143,318	-	881,132	222,027	37,370	184,657	-	100%
91	HCL Technologies Corporate Services Limited (Note 3)	5-Mar-18	31-Mar-18	USD	-	-	-	-	-	-	-	-	-	-	-	100%
92	HCL Mortgage Holding LLC (Note 4)	22-Mar-17	31-Mar-18	USD	65.18	651,775	36,306	1,309,273	621,192	-	-	1,660	(706)	2,366	-	100%

Notes:

1 Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as mentioned above for respective subsidiary.

2 # Refer table given below for absolute amount of share capital in the following company:

Name of the Subsidiary Company	Share Capital (₹)
Point to Point Products Limited	183

3 HCL Technologies Corporate Services Limited, a subsidiary of HCL Technologies UK Limited, has been incorporated on 5 March 2018 and is yet to commence operations.

4 HCL Mortgage Holding LLC, a subsidiary of HCL America Inc., has been incorporated on 22 March 2017, the capital was contributed by the group in 2017-18.

5 Following subsidiaries were acquired during the year:

* Urban Fulfillment Services LLC was acquired on 23 August 2017.

* ETL Factory Limited was acquired on 1 September 2017.

6. Following subsidiaries were dissolved/merged during the year :

* HCL Expense Management Sevices Inc. was dissolved on 22 June 2017 with an effective date of 7 March 2017.

*Axon Solutions Inc. was merged with HCL America Inc. on 1 July 2017.

7. The Group has equity interest of 49% and 100% dividend rights and control.

8. Financial statements of HCL Poland Sp.z.o.o is for the period of 21 month from 1 July 2016 to 31 March 2018.

For HCL Technologies Limited

Shiv Nadar
Chairman and Chief Strategy Officer

S. Madhavan
Director

C. Vijayakumar
President and Chief Executive Officer

Anil Chanana
Chief Financial Officer

Prahlad Rai Bansal
Deputy Chief Financial Officer

Manish Anand
Company Secretary

Place: Noida, UP (India)
Date: 14 August 2018

WWW.HCLTECH.COM

HCL Technologies (HCL) is a leading global technology company that helps global enterprises re–imagine and transform their businesses through Digital technology transformation. HCL operates out of 41 countries and has consolidated revenues of US$ 8.0 billion, for 12 Months ended 30th June, 2018. HCL focuses on providing an integrated portfolio of services underlined by its Mode 1–2–3 growth strategy. Mode 1 encompasses the core services in the areas of Applications, Infrastructure, BPO and Engineering & R&D services, leveraging DRYiCE™ Autonomics to transform clients' business and IT landscape, making them 'lean' and 'agile'. Mode 2 focuses on experience–centric and outcome–oriented integrated offerings of Digital & Analytics, IoT WoRKS™, Cloud Native Services and Cybersecurity & GRC services to drive business outcomes and enable enterprise digitalization. Mode 3 strategy is ecosystem–driven, creating innovative IP–partnerships to build products and platforms business.

HCL leverages its global network of integrated co-innovation labs and global delivery capabilities to provide holistic multi–service delivery in key industry verticals including Financial Services, Manufacturing, Telecommunications, Media, Publishing, Entertainment, Retail & CPG, Life Sciences & Healthcare, Oil & Gas, Energy & Utilities, Travel, Transportation & Logistics and Government. With 124,121 professionals from diverse nationalities, HCL focuses on creating real value for customers by taking 'Relationships Beyond the Contract'. For more information, please visit www.hcltech.com

www.hcltech.com

Relationship™
BEYOND THE CONTRACT

HCL

WX5052