

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

1. We have reviewed the results of HCL Infosystems Limited (the "Company") for the quarter ended December 31, 2014 which are included in the accompanying 'Unaudited Financial Results for the quarter ended December 31, 2014' and the statement of assets and liabilities as on that date (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors/ Committee of Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. We have only traced the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in the Statement from the disclosures made by the Management and are, therefore, not expressing a review opinion thereon.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Place: Gurgaon
Date: January 22, 2015


Avijit Mukerji
Partner
Membership Number: 056155



Part I - Statement of Standalone results for the quarter and six months ended December 31, 2014

Particulars	Rs Lakhs					
	Standalone			Standalone		
	Unaudited		Unaudited	Unaudited		Audited
	Three months ended	Three months ended	Six months ended	Six months ended	Six months ended	Year ended
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	30.06.2014
Gross Sales / Income from Operations	101,343	119,278	143,758	220,841	303,108	572,541
Less: Excise Duty	-	-	53	-	352	412
1a. Net Sales / Income from Operations	101,343	119,278	143,758	220,841	303,108	572,541
1b. Other Operating Income	-	-	6	-	15	533
2. Expenses						
a) Cost of materials consumed	452	770	8,475	1,222	23,260	40,148
b) Purchases of Stock-in-trade	13,269	100,841	130,920	202,587	271,308	499,503
Changes in Inventories of finished goods, work-in-progress and stock-in-trade	558	2,797	(3,838)	3,355	(8,416)	732
d) Employee benefits expense	7,393	2,123	2,056	4,516	3,803	8,212
e) Exchange Differences Loss / (Gain)	72	83	725	153	2,095	3,547
f) Depreciation and amortisation expense	171	181	205	352	443	844
g) Other Expenses	2,634	2,940	4,186	7,574	8,663	18,055
Total Expenses	101,344	118,235	142,709	219,789	301,154	572,039
Profit / (Loss) from Operations before Other Income, Finance costs and exceptional items (1-2)	29	1,043	1,055	1,052	1,957	1,005
4. Other Income	3,421	3,162	1,065	6,583	2,531	6,627
Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	3,450	4,205	2,120	7,635	4,488	7,632
6. Finance costs	2,361	2,184	1,757	4,525	3,408	7,495
Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	1,089	2,021	363	3,110	1,080	167
8. Exceptional items loss / (Gain)	7,153	(820)	-	6,535	-	17,875
9. Profit / (Loss) from ordinary activities before Tax (7-8)	18,006	2,801	363	3,405	1,080	17,708
10. Tax Expense / (Credit)	61	108	133	169	712	1,461
11. Net Profit / (Loss) from ordinary activities after Tax (9-10)	18,147	2,553	230	3,594	378	19,169
12. Extraordinary items (net of tax expense)	-	-	-	-	-	-
13. Net Profit / (Loss) for the period (11+12)	18,147	2,553	230	3,594	378	19,169
14. Paid-up Equity Share Capital (Face value per share in Rs. 2/-)	4,458	4,458	4,458	4,458	4,458	4,458
15. Reserves excluding Revaluation Reserves as per Balance Sheet of the previous accounting year	-	-	-	-	-	146,345
16. Earnings per Share (EPS) (not annualised) Rs./share						
a) EPS before extra ordinary items for the period						
- Basic	(2.4)	1.1	0.1	(1.6)	0.2	(8.5)
- Diluted	(2.4)	1.1	0.1	(1.6)	0.2	(8.5)
b) EPS after extra ordinary items for the period						
- Basic	(2.8)	1.1	0.1	(1.6)	0.2	(8.8)
- Diluted	(2.8)	1.1	0.1	(1.6)	0.2	(8.8)

Particulars	Rs. Lakhs	
	Standalone	
	Unaudited as at 31.12.2014	Audited as at 30.06.2014
A EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	4,458	4,458
Reserves and surplus	147,751	146,345
Sub-Total - Shareholders' funds	147,751	150,803
Non Current Liabilities		
Long term Borrowings	16,913	28,805
Other Long term Liabilities	174	77
Long term Provisions	194	243
Sub-Total - Non Current Liabilities	17,281	29,125
Current Liabilities		
Short-term borrowings	35,403	19,643
Trade payables	58,952	78,914
Other current liabilities	24,284	36,533
Short-term provisions	1,245	1,196
Sub-Total - Current Liabilities	119,884	134,285
Total - EQUITY AND LIABILITIES	294,914	312,213
B ASSETS		
Non-current assets		
Fixed Assets	8,458	8,928
Goodwill on consolidation	-	-
Non-current Investments	72,521	63,895
Deferred tax assets (net)	-	-
Long-term loans and advances	2,392	3,103
Trade receivables	-	-
Other non-current assets	-	-
Sub-Total - Non Current assets	83,371	76,026
Current Assets		
Current Investments	23,325	17,478
Inventories	16,537	20,128
Trade receivables	35,467	42,913
Cash and bank balances	5,747	20,714
Short-term loans and advances	125,864	114,794
Other current assets	179	260
Sub-Total - Current assets	211,023	216,287
Total Assets	294,394	312,313



Part II - Select Information for the Quarter and six months ended December 31, 2014

Particulars	Standalone					
	Unaudited			Unaudited		Audited
	Three months ended			Six months ended		Year ended
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	30.06.2014
A) Particulars of Share holding						
1. Public Shareholding						
- Number of Shares	93,511,785	93,501,785	93,844,083	93,511,785	93,844,683	93,501,785
- Percentage of Shareholding	41.95%	41.95%	42.11%	41.95%	42.11%	41.95%
2. Promoters and Promoter Group Shareholding						
a) Pledged / Encumbered						
- Number of shares	NIL	NIL	900.00	NIL	900.00	NIL
- Percentage of shares (as a % of the total shareholding of promoter and promoter group company)	NIL	NIL	0.00%	NIL	0.00%	NIL
b) Non - encumbered						
- Number of shares	129,377,844	129,377,844	129,034,046	129,377,844	129,034,046	129,377,844
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the company)	58.05%	58.05%	57.89%	58.05%	57.89%	58.05%

Particulars	Three months ended 31.12.2014
B) INVESTOR COMPLAINTS	
Pending at the beginning of the Quarter	1
Received during the Quarter	4
Disposed of during the Quarter	5
Remaining unresolved at the end of the Quarter	NIL

Place : Noida
Date : January 22, 2015

Notes

After recommendation by the Audit Committee, these results have been approved and taken on record by the Board of Directors at its 1 meeting held on January 22, 2015. The results have been subjected to a limited review by the statutory auditors.

2 As per the Composite scheme of arrangement approved by Hon'ble High Court of Delhi vide its order dated September 18, 2013, the Hardware Solution Business was transferred to HCL Infotech Limited. The Company is still in the process of entering into novation agreements with the relevant third parties, including customers and vendors, pertaining to the HCL Infotech Limited. The standalone results above, do not include results pertaining to the transactions executed by the Company on trust and benefit of HCL Infotech Limited pending entering into novation agreements with the respective parties.

3 Exceptional items include

Particulars	Unaudited			Unaudited		Audited
	Three months ended			Six months ended		Year ended
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	30.06.2014
a. Inventory write off due to phasing out of a product line	-	460	-	460	-	462
b. Provision for diminution in the value of investment in HCL Infotech Limited	7,300	-	-	7,300	-	21,000
c. Profit on sale of investment in subsidiary	-	660	-	660	-	-
d. Profit on sale of properties	145	420	-	565	-	3,587
Total (a+b-c-d) - (Gain) / Loss	7,155	(620)	-	6,535	-	17,875

4 Figures for previous periods have been regrouped and rearranged, wherever necessary, to conform with the relevant current period's classification.

By order of the Board
for HCL Infosystems Limited

Premkumar Seshadri
Executive Vice-Chairman & Managing Director

