HCL INFOSYSTEMS LTD.
Corporate Office: E-4, Sector 11, NOIDA 201 301, U.P., India
Tel: +91 120 2520977, 2526518, 2526519 Fax: +91 120 2523791
Registered Office: 806 Siddharth, 96, Nehru Place, New Delhi-110019. India.
Corporate Identity Number - L72200DL1986PLC023955
www.hclinfosystems.com
www.hcl.com

25th July, 2018

To

The General Manager Department of Corporate Relations BSE Limited Sir Phiroze Jeejeebhoy Towers Dalal Street Fort Mumbai 400 001	**The Vice President** Listing Department The National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex Bandra (East) Mumbai 400 051

Sub: Unaudited Financial Results for the quarter ended 30th June, 2018 as per Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Symbol: NSE : HCL-INSYS
BSE (For Physical Form): 179
BSE (For Demat Form): 500179

Dear Sirs,

This is further to our letter dated 16th July, 2018 on the above subject.

In terms of the requirements of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Unaudited Financial Results of the Company on standalone and consolidated basis along with the Limited Review Report for the Quarter ended 30th June, 2018 which have been taken on record at the meeting of the Board of Directors of the Company held today.

We are arranging to publish the results in the newspapers.

Please acknowledge receipt.

Very Truly Yours,
For HCL Infosystems Limited

Sushil Kumar Jain

Digitally signed by Sushil Kumar Jain
DN: cn=Sushil Kumar Jain, o=HCL Infosystems Limited, ou, email=sushiljain@hcl.com, c=US
Date: 2018.07.25 17:53:14 +05'30'

Sushil Kumar Jain
Company Secretary

B S R & Associates LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurugram - 122 002, India

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Review Report to the Board of Directors of HCL Infosystems Limited

We have reviewed the accompanying statement of unaudited standalone financial results ("the financial results") of HCL Infosystems Limited ("the Company") for the quarter ended 30 June 2018 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The financial results is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.

Attention is drawn to the fact that the figures for the 3 months ended 31 March 2018 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

Attention is drawn to the fact that the figures for the quarter ended 30 June 2017 are based on previously issued standalone financial results that were reviewed by the erstwhile auditors (vide their unmodified limited review report 26 July 2017 for the period ended 30 June 2017).

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 specified under section 143(10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Associates LLP**
Chartered Accountants
ICAI Registration No.: 116231W/W-100024

Manish Gupta
Partner
Membership No. 095037

Place: GURUGRAM
Date: 25 JULY 2018

HCL INFOSYSTEMS LIMITED

Unaudited Financial Results for the quarter ended June 30, 2018

Regd.Off. 806, Siddharth, 96 Nehru Place, New Delhi 110 019.
CIN - L72200DL1986PLC023955
Phone number +91 120 2520977, 2526518-19 Fax +91 120 2523791
Website www.hclinfosystems.com
Email ID: cosec@hcl.com

Standalone Statement of Profit and Loss for the quarter ended June 30, 2018 (Rs. In Lakhs)

	Particulars	Standalone			
		Three months ended			Year ended
		30.06.2018	31.03.2018	30.06.2017	31.03.2018
		Unaudited	Audited	Unaudited	Audited
1	**Income**				
	Revenue from operations	96,758	89,118	40,668	2,95,030
	Other income	1,549	1,668	1,089	5,272
	Total Income	**98,307**	**90,786**	**41,757**	**3,00,302**
2	**Expenses**				
(a)	Cost of materials consumed	4	14	19	35
(b)	Purchase of stock-in-trade	85,161	85,866	43,193	3,03,798
(c)	Changes in inventories of finished goods and stock-in-trade	8,071	26	(5,080)	(21,973)
(d)	Employee benefits expense	1,808	1,648	1,506	5,896
(e)	Finance costs	2,756	2,963	2,621	11,269
(f)	Depreciation and amortisation expense	228	110	113	444
(g)	Other expenses	2,379	2,589	2,137	8,521
	Total expenses	**1,00,407**	**93,216**	**44,509**	**3,07,990**
3	**Profit / (Loss) before exceptional items and tax (1 - 2)**	**(2,100)**	**(2,430)**	**(2,752)**	**(7,688)**
4	Exceptional Items loss / (gain) (Refer note 2)	1,460	11,252	1,682	55,362
5	**Profit / (Loss) before tax (3 - 4)**	**(3,560)**	**(13,682)**	**(4,434)**	**(63,050)**
6	Tax expense / (credit)				
	(a) Current tax	-	-	-	-
	(b) Deferred tax expense / (credit)	-	670	(563)	107
7	**Net Profit / (Loss) for the period (5 - 6)**	**(3,560)**	**(14,352)**	**(3,871)**	**(63,157)**
8	Other comprehensive income				
	A (i) Items that will not be reclassified to profit or loss	-	24	1	25
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	8	-	8
	B (i) Items that will be reclassified to profit or loss	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
	Total other comprehensive income, net of income tax	**-**	**16**	**1**	**17**
9	**Total comprehensive income for the period (7 + 8)**	**(3,560)**	**(14,336)**	**(3,870)**	**(63,140)**
10	Paid-up equity share capital (Face value per share in Rs. 2/-)	6,584	6,584	4,458	6,584
11	Reserve as per balance sheet of previous accounting year				42,031
12	Earnings per share (of Rs 2/- each) (not annualised):				
	(a) Basic	(1.08)	(4.36)	(1.74)	(24.66)
	(b) Diluted	(1.08)	(4.36)	(1.74)	(24.66)

Notes

1. After recommendation by the Audit Committee, these results have been approved and taken on record by the Board of Directors at its meeting held on July 25, 2018. The results have been subjected to a limited review by the statutory auditors.

2. Exceptional items include :

Particulars	Three months ended			Year ended
	30.06.2018	31.03.2018	30.06.2017	31.03.2018
	Unaudited	Audited	Unaudited	Audited
a. Impairment of investment in HCL Services Limited	-	4,896	-	42,897
b. Impairment of investment in HCL Learning Limited	-	4,446	-	4,446
c. Provision against loan given to Subsidiary	1,624	1,910	1,682	8,019
d. Gain on sale of Subsidiary	164	-	-	-
Total (a+b+c-d) - (Gain) / Loss	**1,460**	**11,252**	**1,682**	**55,362**

3. Pursuant to the approval by the Board of Directors of Company in its meeting held on January 31, 2018, the CARE business division has been transferred to QDigi Services Limited on March 31, 2018 and subsequently the entire shareholding of QDigi Services Limited has been divested to M/s Quess Corp Limited on April 11, 2018.

4. Pursuant to the approval by the Board of Directors of Company in its meeting held on February 9, 2018, the Company has divested its investments (both Equity and Optionally Convertible Debentures(OCD)) in HCL Services Limited to M/s Karvy Data Management Services Limited for a consideration of Rs 112.10 crore (Equity Rs 17.45 crore and OCD Rs 94.65 crore, the consideration for OCD is equivalent to the Income Tax refund and is receivable as and when the Tax refund is received by HCL Services Limited). The Company signed a Share Purchase Agreement on May 31, 2018 and the shareholding was divested on June 15, 2018.

   This transaction excludes;
   i) Care Business (divested to M/s Quess Corp Limited)
   ii) IT & Facility unit (transferred to HCL Infosystems Limited)
   iii) Investment in HCL Insys PTE Limited, Singapore including its subsidiaries (transferred to HCL Learning Limited)

5. During the current quarter, Apple India Pvt. Ltd. has informed the company that the Distribution Agreement for iPhone and other Apple Products will not be extended beyond March 30, 2019. Revenue in the current quarter from Apple business is Rs 347 crore.

6. Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant on the financial statements.

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

BSR & Associates LLP ★ Chartered Accountants ★

By order of the Board
for HCL Infosystems Limited

Rangarajan Raghavan
Managing Director

Place : Noida
Date : July 25, 2018

B S R & Associates LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurugram - 122 002, India

Telephone: + 91 124 719 1000
Fax: + 91 124 235 8613

Review Report to the Board of Directors of HCL Infosystems Limited

We have reviewed the accompanying statement of unaudited consolidated financial results ("the consolidated financial results") of HCL Infosystems Limited ('the Company') and its subsidiaries (collectively referred to as 'the Group') for the quarter ended 30 June 2018 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The consolidated financial results is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these consolidated financial results based on our review.

Attention is drawn to the fact that the figures for the 3 months ended 31 March 2018 as reported in these consolidated financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

Attention is drawn to the fact that the figures for the quarter ended 30 June 2017 are based on previously issued consolidated financial results that were reviewed by the erstwhile auditors (vide their unmodified limited review report dated 26 July 2017 for the period ended 30 June 2017).

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 specified under section 143(10) of the Companies Act, 2013. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the consolidated financial results are free of material misstatement. 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with applicable accounting standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Associates LLP**
Chartered Accountants
ICAI Registration No.: 116231W/W-100024

Manish Gupta
Partner
Membership No. 095037

Place: GURUGRAM
Date: 25 JULY 2018

HCL INFOSYSTEMS LIMITED

Unaudited Financial Results for the quarter ended June 30, 2018

Regd.Off. 806, Siddharth, 96 Nehru Place, New Delhi 110 019.
CIN - L72200DL1986PLC023955
Phone number +91 120 2520977, 2526518-19 Fax +91 120 2523791
Website www.hclinfosystems.com
Email ID: cosec@hcl.com

Consolidated Statement of Profit and Loss for the quarter ended June 30, 2018

(Rs. In Lakhs)

	Particulars	Consolidated			
		Three months ended			Year ended
		30.06.2018	31.03.2018	30.06.2017	31.03.2018
		Unaudited	Audited	Unaudited	Audited
1	**Income**				
	Revenue from operations	1,13,662	1,06,703	57,529	3,61,212
	Other income	2,581	4,187	2,871	12,991
	Total Income	**1,16,243**	**1,10,890**	**60,400**	**3,74,203**
2	**Expenses**				
(a)	Cost of materials consumed	4	14	19	35
(b)	Purchase of stock-in-trade	88,538	87,736	48,778	3,12,813
(c)	Changes in inventories of finished goods and stock-in-trade	8,264	760	(4,824)	(21,780)
(d)	Employee benefits expense	8,073	7,476	7,902	30,638
(e)	Finance costs	3,312	3,162	3,594	13,947
(f)	Depreciation and amortisation expense	533	577	744	2,748
(g)	Other expenses	11,465	16,032	8,690	52,823
	Total expenses	**1,20,189**	**1,15,757**	**64,903**	**3,91,224**
3	**Profit / (Loss) before exceptional items and tax from continuing operations (1 - 2)**	**(3,946)**	**(4,867)**	**(4,503)**	**(17,021)**
4	Exceptional Items loss / (gain) (Refer note 2)	-	3,142	-	3,142
5	**Profit / (Loss) before tax from continuing operations (3 - 4)**	**(3,946)**	**(8,009)**	**(4,503)**	**(20,163)**
6	Tax expense / (credit)				
	(a) Current tax	82	76	98	244
	(b) Deferred tax expense / (credit)	-	702	(574)	313
7	**Net Profit / (Loss) for the period from continuing operations (5 - 6)**	**(4,028)**	**(8,787)**	**(4,027)**	**(20,720)**
8	Profit / (Loss) before Tax from discontinued operations (Refer note 3)	210	(4,719)	(2,146)	(50,721)
9	Profit/(loss) on disposal of discontinued operations (Refer note 4)	959	-	-	-
10	Tax expense / (credit) of discontinued operations (Refer note 3)	-	10,596	(661)	9,935
11	**Net Profit / (Loss) for the period from discontinued operations (8 + 9 - 10)**	**1,169**	**(15,315)**	**(1,485)**	**(60,656)**
12	**Net Profit / (Loss) for the period (7+ 11)**	**(2,859)**	**(24,102)**	**(5,512)**	**(81,376)**
13	Other comprehensive income				
	A (i) Items that will not be reclassified to profit or loss	-	(31)	1	(31)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	8	-	8
	B (i) Items that will be reclassified to profit or loss	331	146	116	460
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
	Total other comprehensive income, net of income tax	**331**	**107**	**117**	**421**
14	**Total comprehensive income for the period (12 + 13)**	**(2,528)**	**(23,995)**	**(5,395)**	**(80,955)**
15	Net Profit/(Loss) attributable to:				
	- Shareholders	(2,859)	(24,102)	(5,512)	(81,376)
	- Non-controlling interests	(0.00)	(0.00)	(0.00)	(0.00)
	Total comprehensive income attributable to:				
	- Shareholders	(2,528)	(23,995)	(5,395)	(80,955)
	- Non-controlling interests	(0.00)	(0.00)	(0.00)	(0.00)
16	Paid-up equity share capital (Face value per share in Rs. 2/-)	6,584	6,584	4,458	6,584
17	Reserve as per balance sheet of previous accounting year				16,950
18	Earnings per share for continuing operations (of Rs 2/- each) (not annualised):				
	(a) Basic	(1.22)	(2.67)	(1.81)	(8.09)
	(b) Diluted	(1.22)	(2.67)	(1.81)	(8.09)
19	Earnings per share for discontinued operations (of Rs 2/- each) (not annualised):				
	(a) Basic	0.36	(4.65)	(0.67)	(23.68)
	(b) Diluted	0.36	(4.65)	(0.67)	(23.68)
20	Earnings per share for discontinued & continuing operations (of Rs 2/- each) (not annualised):				
	(a) Basic	(0.87)	(7.32)	(2.47)	(31.77)
	(b) Diluted	(0.87)	(7.32)	(2.47)	(31.77)

Segment-wise information

	Particulars	Three months ended			Year ended
		30.06.2018	31.03.2018	30.06.2017	31.03.2018
		Unaudited	Audited	Unaudited	Audited
1.	**Segment Revenue**				
	- Hardware Products and Solutions	3,828	5,592	4,043	18,222
	- Services *	14,406	21,280	21,157	87,507
	- Distribution	98,583	90,796	43,873	3,01,630
	- Learning	62	(63)	186	313
	Total	1,16,879	1,17,605	69,259	4,07,672
	Less : Intersegment revenue	110	859	805	3,403
	Revenue from operations	**1,16,769**	**1,16,746**	**68,454**	**4,04,269**
2.	**Segment results (profit / (loss) before tax and Interest from each segment)**				
	- Hardware Products and Solutions	(1,109)	(1,748)	(755)	(4,858)
	- Services *	1,662	(3,664)	(1,035)	(46,406)
	- Distribution	96	(109)	(265)	1,184
	- Learning	(36)	(3,363)	(320)	(4,571)
	Total	613	(8,884)	(2,375)	(54,651)
	Less :				
	i) Interest expense	3,439	3,947	4,361	16,923
	ii) Other un-allocable expenditure net off un-allocable (income)	(49)	(103)	(87)	(690)
	Total Profit / (Loss) before tax	**(2,777)**	**(12,728)**	**(6,649)**	**(70,884)**
3.	**Segment Assets**				
	- Hardware Products and Solutions	87,185	91,306	1,21,326	91,306
	- Services *	20,586	34,738	82,959	34,738
	- Distribution	98,967	1,05,068	54,133	1,05,068
	- Learning	691	1,133	6,645	1,133
	- Unallocated	58,086	55,544	56,336	55,544
	Total Assets	**2,65,515**	**2,87,789**	**3,21,399**	**2,87,789**
4.	**Segment Liabilities**				
	- Hardware Products and Solutions	55,649	50,555	56,988	50,555
	- Services *	8,142	19,395	20,240	19,395
	- Distribution	69,619	71,722	51,852	71,722
	- Learning	1,044	1,003	1,504	1,003
	- Unallocated	1,10,055	1,21,580	1,41,286	1,21,580
	Total Liabilities	**2,44,509**	**2,64,255**	**2,71,870**	**2,64,255**

* Refer Note 3

B S R & Associates LLP ★ Chartered Accountants ★

Notes

1. After recommendation by the Audit Committee, these results have been approved and taken on record by the Board of Directors at its meeting held on July 25, 2018. The results have been subjected to a limited review by the statutory auditors.

2(a). Pursuant to the approval by the Board of Directors of Company in its meeting held on January 31, 2018, the CARE business division has been transferred to QDigi Services Limited on March 31, 2018 and subsequently the entire shareholding of QDigi Services Limited has been divested to M/s Quess Corp Limited on April 11, 2018.

2(b). Pursuant to the approval by the Board of Directors of Company in its meeting held on February 9, 2018 , the Company has divested its investments (both Equity and Optionally Convertible Debentures(OCD)) in HCL Services Limited to M/s Karvy Data Management Services Limited for a consideration of Rs 112.10 crore (Equity Rs 17.45 crore and OCD Rs 94.65 crore, the consideration for OCD is equivalent to the Income Tax refund and is receivable as and when the Tax refund is received by HCL Services Limited). The Company signed a Share Purchase Agreement on May 31, 2018 and the shareholding was divested on June 15, 2018.

This transaction excludes;
i) Care Business (divested to M/s Quess Corp Limited)
ii) IT & Facility unit (transferred to HCL Infosystems Limited)
iii) Investment in HCL Insys PTE Limited, Singapore including its subsidiaries (transferred to HCL Learning Limited)

3. Pursuant to 2(a) & 2(b) above, Care Business & Domestic Enterprise Services Business has been considered as discontinued operations. The relevant information for all the period presented, attributable to these discontinued operations are as below.

Particulars	Three months ended			Year ended
	30.06.2018	31.03.2018	30.06.2017	31.03.2018
	Unaudited	Audited	Unaudited	Audited
Total revenue (including Other income)	3,116	10,227	11,025	43,383
Total expenditure	2,906	12,758	13,171	52,916
Profit/ (loss) before exceptional items and tax	210	(2,531)	(2,146)	(9,533)
Exceptional Items loss / (gain)	(959)	2,188	-	41,188
Profit/ (loss) before tax	1,169	(4,719)	(2,146)	(50,721)
Tax expense	-	10,596	(661)	9,935
Profit/ (loss) after tax	1,169	(15,315)	(1,485)	(60,656)
Total assets		21,914		21,914
Total liabilities		9,133		9,133

4. Profit on disposal of discontinued operations for the quarter ended June 30, 2018 includes gain of Rs 9.59 crore on divestment of Care and Domestic Enterprise Services Business as mentioned in Note 2(a) and 2(b).

5. Exceptional items include :

Particulars	Three months ended			Year ended
	30.06.2018	31.03.2018	30.06.2017	31.03.2018
	Unaudited	Audited	Unaudited	Audited
a. Impairment of goodwill for Learning Business	-	3,142	-	3,142
Total Gain/(Loss)	-	(3,142)	-	(3,142)

6. During the current quarter, Apple India Pvt. Ltd. has informed the company that the Distribution Agreement for iPhone and other Apple Products will not be extended beyond March 30, 2019. Revenue in the current quarter from Apple business is Rs 352 crore.

7. Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant on the financial statements.

8. Consolidated Results include financial results of HCL Infosystems Limited, and its subsidiaries.

9. 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

Rangarajan Raghavan
Managing Director

B S R & Associates LLP ★ Chartered Accountants ★

Place : Noida
Date : July 25, 2018