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

31st January, 2017

To

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

To

The Secretary,
BSE Limited,
P.J.Tower
Dalal Street
Fort
Mumbai-400001

Sub: Unaudited Financial Results for the quarter ended 31st December, 2016 as per Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

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

Dear Sirs,

This is further to our letter dated 19th January, 2017 on the above subject.

In terms of the requirements of Regulation 33 and Regulation 30 (2) 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 31st December, 2016 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

HCL INFOSYSTEMS LIMITED

Sushil Kumar Jain
Company Secretary

Encl: As above.

HCL

HCL INFOSYSTEMS LIMITED

Unaudited Financial Results for the Quarter ended December 31, 2016

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

Statement of Consolidated Results for the quarter and nine months ended December 31, 2016 (Rs. In Lakhs)

	Particulars	Consolidated					
		Unaudited			Unaudited		Audited
		Three months ended			Year to Date		Nine Months period Ended 31.03.2016
		31.12.2016	30.09.2016	31.12.2015	Nine Months Ended 31.12.2016	Six Months Ended 31.12.2015	
1	Income from operations						
	(a) Net sales/Income from operations	76,464	1,00,162	1,11,788	2,91,447	2,58,710	3,65,623
	(b) Other operating income	-	-	-	1	-	988
	Total Income from operations	**76,464**	**1,00,162**	**1,11,788**	**2,91,448**	**2,58,710**	**3,66,611**
2	**Expenses**						
(a)	Cost of materials consumed	13	22	-	59	-	8
(b)	Purchase of stock-in-trade	50,496	66,557	81,062	1,97,442	1,87,016	2,60,636
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	182	4,019	737	5,038	1,484	4,113
(d)	Employee benefits expense	12,859	14,127	16,139	41,910	31,215	45,826
(e)	Depreciation and amortisation expense	1,185	940	1,117	3,025	2,208	3,198
(f)	Other expenses	16,878	18,320	19,649	56,699	45,720	68,476
	Total expenses	**81,613**	**1,03,985**	**1,18,704**	**3,04,173**	**2,67,643**	**3,82,257**
3	**Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)**	**(5,149)**	**(3,823)**	**(6,916)**	**(12,725)**	**(8,933)**	**(15,646)**
4	Other Income	3,488	3,693	4,235	10,793	8,771	13,029
5	**Profit / (Loss) before finance costs and exceptional items (3 + 4)**	**(1,661)**	**(130)**	**(2,681)**	**(1,932)**	**(162)**	**(2,617)**
6	Finance costs	4,920	4,785	4,194	14,142	7,904	12,569
7	**Profit / (Loss) before exceptional items (5 - 6)**	**(6,581)**	**(4,915)**	**(6,875)**	**(16,074)**	**(8,066)**	**(15,186)**
8	Exceptional Items Loss / (Gain)	-	-	-	-	(386)	6,722
9	**Profit / (Loss) before tax (7 - 8)**	**(6,581)**	**(4,915)**	**(6,875)**	**(16,074)**	**(7,680)**	**(21,908)**
10	Tax expense / (Credit)	(1,508)	(1,202)	(1,193)	(3,718)	(1,712)	(478)
11	**Net Profit / (Loss) for the period before share of profit / (loss) of associates and joint ventures (9 - 10)**	**(5,073)**	**(3,713)**	**(5,682)**	**(12,356)**	**(5,968)**	**(21,430)**
12	Share of Profit / (loss) of associates and joint ventures	-	-	-	-	-	-
13	**Net Profit / (Loss) for the period (11 + 12)**	**(5,073)**	**(3,713)**	**(5,682)**	**(12,356)**	**(5,968)**	**(21,430)**
14	Other comprehensive income, net of income tax						
	A. Items that will not be reclassified to profit or loss	1	1	3	4	5	8
	B. Items that will be reclassified to profit or loss	(350)	(185)	81	(535)	380	494
	Total other comprehensive income, net of income tax	**(349)**	**(184)**	**84**	**(531)**	**385**	**502**
15	**Total comprehensive income for the period (13 + 14)**	**(5,422)**	**(3,897)**	**(5,598)**	**(12,887)**	**(5,583)**	**(20,928)**
16	Net Profit/(Loss) attributable to:						
	- Owners	(5,073)	(3,713)	(5,682)	(12,356)	(5,968)	(21,430)
	- Non-controlling interests	-	-	-	-	-	-
	Total comprehensive income attributable to:						
	- Owners	(5,422)	(3,897)	(5,598)	(12,887)	(5,583)	(20,928)
	- Non-controlling interests	-	-	-	-	-	-
17	Paid-up equity share capital (Face value per share in Rs. 2/-)	4,458	4,458	4,458	4,458	4,458	4,458
18	Reserve excluding revaluation reserves as per balance sheet of previous accounting year						75,935
19	Earnings per share (of Rs 2/- each) (not annualised):						
	(a) Basic	(2.3)	(1.7)	(2.5)	(5.5)	(2.7)	(9.6)
	(b) Diluted	(2.3)	(1.7)	(2.5)	(5.5)	(2.7)	(9.6)

Segment-wise Information

	Particulars	Unaudited			Unaudited		Audited
		Three months ended			Year to Date		Nine Months period Ended 31.03.2016
		31.12.2016	30.09.2016	31.12.2015	Nine Months Ended 31.12.2016	Six Months Ended 31.12.2015	
1.	**Segment Revenue**						
	-Hardware Products and Solutions (Net)	6,010	7,674	11,096	25,933	27,387	35,730
	- Services (Net)	23,355	24,993	25,896	72,819	51,360	75,772
	- Distribution	47,581	68,589	78,078	1,96,610	1,84,470	2,60,912
	- Learning	266	419	482	1,090	1,177	1,651
	Total	77,212	1,01,675	1,15,552	2,96,452	2,64,394	3,74,065
	Less : Intersegment revenue	748	1,513	3,764	5,005	5,684	8,442
	Net Sales / Income from Operations	**76,464**	**1,00,162**	**1,11,788**	**2,91,447**	**2,58,710**	**3,65,623**
2.	**Segment Results (Profit / (Loss) before Tax and Interest from each segment)**						
	- Hardware Products and Solutions	(1,014)	973	(1,478)	1,436	1,490	263
	- Services	(952)	(1,507)	(1,423)	(4,472)	(2,361)	(3,984)
	- Distribution	-	145	287	663	423	644
	- Learning	(165)	(25)	(368)	(410)	(595)	(7,907)
	Total	(2,131)	(414)	(2,982)	(2,783)	(1,043)	(10,984)
	Less :						
	i) Interest Expense	4,920	4,785	4,194	14,142	7,904	12,569
	ii) Other un-allocable expenditure net off un-allocable (income)	(470)	(284)	(301)	(851)	(1,267)	(1,645)
	Total Profit / (Loss) before Tax	**(6,581)**	**(4,915)**	**(6,875)**	**(16,074)**	**(7,680)**	**(21,908)**
3.	**Segment Assets**						
	- Hardware Products and Solutions	1,28,713	1,49,430	1,67,038	1,28,713	1,67,038	1,55,898
	- Services	89,978	90,597	96,891	89,978	96,891	94,711
	- Distribution	38,883	36,703	48,223	38,883	48,223	49,128
	- Learning	10,198	11,318	22,447	10,198	22,447	14,248
	Unallocated						
	- Liquid Assets	12,076	11,598	16,207	12,076	16,207	5,108
	- Others unallocated	64,544	47,805	35,882	64,544	35,882	38,554
	Total Assets	**3,44,392**	**3,47,451**	**3,86,688**	**3,44,392**	**3,86,688**	**3,57,647**
4.	**Segment Liabilities**						
	- Hardware Products and Solutions	57,180	59,053	84,992	57,180	84,992	71,858
	- Services	23,025	24,137	22,734	23,025	22,734	21,550
	- Distribution	34,784	43,314	43,731	34,784	43,731	47,076
	- Learning	1,786	1,962	2,269	1,786	2,269	2,140
	Unallocated						
	- Others unallocated	1,60,113	1,46,057	1,37,224	1,60,113	1,37,224	1,34,630
	Total Segment Liabilities	**2,76,888**	**2,74,523**	**2,90,950**	**2,76,888**	**2,90,950**	**2,77,254**

Price Waterhouse Chartered Accountants FRN 301112E Gurgaon

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 January 31, 2017. The results have been subjected to a limited review by the statutory auditors.

2. The Indian Accounting Standards (Ind-AS), as notified under the Companies (Indian Accounting Standards) Rules,2015, are applicable to HCL Infosystems Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") for the accounting period commencing on or after April 1, 2016. According to Ind AS 101 "First time adoption of the Indian Accounting Standards", the transition date for adoption of Ind AS by the Group is July 1, 2015 and hence, the Group has adopted the notified Ind AS effective the transition date.

3. As required under Section 2(41) of the Companies Act, 2013, during the previous period, the Company and its subsidiaries have changed its accounting period from July – June to April – March. Therefore, the year to date results in previous year for period ended December 31, 2015 are for six months as against nine months for the period ended December 31, 2016 in current year, hence are not comparable.

4. Exceptional items include :

Particulars	Unaudited			Unaudited		Audited
	Three months ended			Year to Date		Nine Months
	31.12.2016	30.09.2016	31.12.2015	Nine months ended 31.12.2016	Six months ended 31.12.2015	Period ended 31.03.2016
a. (Profit) / Loss on sale of properties	-	-	-	-	(386)	(278)
b. Impairment of Goodwill (Refer note 5)	-	-	-	-	-	7,000
Total (a+b) - (Gain) / Loss	-	-	-	-	(386)	6,722

5. Exceptional items for the nine months period ended March 31, 2016 include impairment charge in respect to Learning Business of Rs. 7000 lakhs on account of write down of part of the goodwill, which was recognized in the prior years during the process of restructuring of the Company. This write down had no impact on cash flows and was brought about due to modification in the current business model and changes in the overall business environment for the segment.

6. Consolidated Results include financial results of HCL Infosystems Limited, and its subsidiaries. The Company has sold its investments in Nokia HCL Mobile Internet Services Limited (Joint Venture) during the previous quarter ended 30th Sept'16.

7. The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

Particulars	Unaudited Three Months Ended 31.12.2015	Unaudited Six Months Ended 31.12.2015	Audited Nine Months Period Ended 31.03.2016
Net (Loss) as per Indian GAAP	(6,571)	(11,495)	(25,444)
Add / (Less) : Adjustments			
Impact on account of measurement of revenue at fair value	(3,307)	(2,372)	(5,822)
Recognition of Expected Credit Loss	96	(140)	180
Recognition / reversal of deferred tax Assests	1,362	1,954	608
Unwinding of discounted receivables	2,843	5,903	8,811
Others	(105)	182	237
Net (Loss) as per Ind AS	**(5,682)**	**(5,968)**	**(21,430)**
Other comprehensive income	84	385	502
Total comprehensive income	**(5,598)**	**(5,583)**	**(20,928)**

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

Price Waterhouse Chartered Accountants FRN 301112E Gurgaon

By order of the Board
for HCL Infosystems Limited

Premkumar Seshadri
Executive Vice-Chairman & Managing Director

Place : Noida
Date January 31 , 2017

Price Waterhouse

Chartered Accountants

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

1. We have reviewed the unaudited consolidated financial results of HCL Infosystems Limited (the "Company") and its subsidiaries (hereinafter referred to as the "Group") [(refer Note 6 on the Statement)] for the quarter ended December 31, 2016 which are included in the accompanying 'Statement of Consolidated results for quarter and nine months ended December 31, 2016' together with the notes thereon (the "Statement"). The Statement has been prepared by the Company's Management pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") and SEBI Circular dated July 5, 2016, which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's Management and has been approved by its Board of Directors. Further, the Management is also responsible to ensure that the accounting policies used in preparation of this Statement are consistent with those used in the preparation of the Company's opening unaudited consolidated Balance Sheet as at July 01, 2015 prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies. 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 Statement is free of material misstatement.

3. A review is limited primarily to inquiries of group personnel and analytical procedures applied to group's 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. 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 Ind AS and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 and SEBI circular dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We draw attention to the following matters:

   Note 2 to the Statement which states that the Company has adopted Ind AS for the financial year commencing from April 1, 2016, and accordingly, the Statement has been prepared by the Company's Management in compliance with Ind AS. Our conclusion is not qualified in respect of these matters.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Aviji Mukerji

Aviji Mukerji
Partner
Membership Number: 056155

Place: Gurgaon
Date: January 31, 2017

HCL INFOSYSTEMS LIMITED

Unaudited Financial Results for the Quarter ended December 31, 2016

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

Statement of Standalone Results for the quarter and nine months ended December 31, 2016 (Rs. In Lakhs)

	Particulars	Standalone					
		Unaudited			Unaudited		Audited
		Three months ended			Year to Date		Nine months ended 31.03.2016
		31.12.2016	30.09.2016	31.12.2015	Nine months ended 31.12.2016	Six months ended 31.12.2015	
1	Income from operations						
	(a) Net sales/Income from operations	40,648	63,535	74,530	1,80,273	1,77,802	2,49,927
	(b) Other operating income	-	-	-	1	-	57
	Total income from operations	**40,648**	**63,535**	**74,530**	**1,80,274**	**1,77,802**	**2,49,984**
2	**Expenses**						
(a)	Cost of materials consumed	13	22	-	59	-	8
(b)	Purchase of stock-in-trade	38,166	55,316	70,300	1,63,593	1,65,023	2,32,183
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(340)	4,131	(640)	4,851	2,158	3,123
(d)	Employee benefits expense	1,236	1,542	2,119	4,424	4,203	5,487
(e)	Depreciation and amortisation expense	119	121	164	365	282	412
(f)	Other expenses	1,898	2,183	2,950	6,051	6,822	10,187
	Total expenses	**41,092**	**63,315**	**74,893**	**1,79,343**	**1,78,488**	**2,51,400**
3	**Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)**	**(444)**	**220**	**(363)**	**931**	**(686)**	**(1,416)**
4	Other Income	1,176	1,038	2,024	3,150	6,305	7,262
5	**Profit / (Loss) before finance costs and exceptional items (3 + 4)**	**732**	**1,258**	**1,661**	**4,081**	**5,619**	**5,846**
6	Finance costs	2,754	2,523	3,009	7,520	5,930	8,152
7	**Profit / (Loss) before exceptional items (5 - 6)**	**(2,022)**	**(1,265)**	**(1,348)**	**(3,439)**	**(311)**	**(2,306)**
8	Exceptional Items Loss / (Gain)	2,116	857	2,645	4,024	2,259	15,901
9	**Profit / (Loss) before tax (7 - 8)**	**(4,138)**	**(2,122)**	**(3,993)**	**(7,463)**	**(2,570)**	**(18,207)**
10	Tax expense / (Credit)	(867)	(373)	(116)	(1,288)	208	526
11	**Net Profit / (Loss) for the period (9 - 10)**	**(3,271)**	**(1,749)**	**(3,877)**	**(6,175)**	**(2,778)**	**(18,733)**
12	Other comprehensive income, net of income tax						
	A. Items that will not be reclassified to profit or loss	1	-	2	2	3	4
	B. Items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total other comprehensive income, net of income tax	**1**	**-**	**2**	**2**	**3**	**4**
13	**Total comprehensive income for the period (11 + 12)**	**(3,270)**	**(1,749)**	**(3,875)**	**(6,173)**	**(2,775)**	**(18,729)**
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	Reserve excluding revaluation reserves as per balance sheet of previous accounting year						93,981
16	Earnings per share (of Rs 2/- each) (not annualised):						
	(a) Basic	(1.5)	(0.8)	(1.7)	(2.8)	(1.2)	(8.4)
	(b) Diluted	(1.5)	(0.8)	(1.7)	(2.8)	(1.2)	(8.4)

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 January 31, 2017. The results have been subjected to a limited review by the statutory auditors.

2. The Indian Accounting Standards (Ind-AS), as notified under the Companies (Indian Accounting Standards) Rules,2015, are applicable to HCL Infosystems Limited (the "Company") for the accounting period commencing on or after April 1, 2016. According to Ind AS 101 "First time adoption of the Indian Accounting Standards", the transition date for adoption of Ind AS by the Company is July 1, 2015 and hence, the Company has adopted the notified Ind AS effective the transition date.

3. As required under Section 2(41) of the Companies Act, 2013, during the previous period, the Company has changed its accounting period from July – June to April – March. Therefore, the year to date results in previous year for period ended December 31, 2015 are for six months as against nine months for the period ended December 31, 2016 in current year, hence are not comparable.

4. Exceptional items include :

Particulars	Unaudited			Unaudited		Audited
	Three months ended			Year to Date		Nine months ended 31.03.2016
	31.12.2016	30.09.2016	31.12.2015	Nine months ended 31.12.2016	Six months ended 31.12.2015	
a. Provision for diminution in the value of investment in HCL Learning Limited	-	-	-	-	-	12,200
b. Provision against Loan given to Subsidiary	2,116	857	2,645	4,024	2,645	3,979
c. (Profit) / Loss on sale of properties	-	-	0		(386)	(278)
Total (a+b+c) - (Gain) / Loss	**2,116**	**857**	**2,645**	**4,024**	**2,259**	**15,901**

5. The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

Particulars	Unaudited	Unaudited	Audited
	Three Months Ended	Six Months Ended	Nine Months Ended
	31.12.2015	31.12.2015	31.03.2016
Net (Loss) as per Indian GAAP	(749)	(3,110)	(21,027)
Add / (Less) : Adjustments			
(Addition)/Reversal of Impairment of long term investments	(2,959)	841	3,459
Recognition of Expected Credit Loss	(257)	(377)	(777)
(Expense)/Credit of deferred tax	165	(85)	(407)
Others	(77)	(47)	19
Net Profit / (Loss) as per Ind AS	**(3,877)**	**(2,778)**	**(18,733)**
Other comprehensive income	2	3	4
Total comprehensive income	**(3,875)**	**(2,775)**	**(18,729)**

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

Price Waterhouse Chartered Accountants FRN 301112E Gurgaon

By order of the Board
for HCL Infosystems Limited

Premkumar

Premkumar Seshadri
Executive Vice-Chairman & Managing Director

Place : Noida
Date : January 31, 2017

Price Waterhouse
Chartered Accountants

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

1. We have reviewed the unaudited financial results of HCL Infosystems Limited (the "Company") for the quarter ended December 31, 2016 which are included in the accompanying 'Statement of Standalone results for the quarter and nine months ended December 31, 2016' together with the notes thereon (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") and SEBI Circular dated July 5, 2016, which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Further, the Management is also responsible to ensure that the accounting policies used in preparation of this Statement are consistent with those used in the preparation of the Company's opening unaudited Balance Sheet as at July 01, 2015 prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies. 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 Statement is 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. 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 Ind AS and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 and SEBI circular dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We draw attention to the following matters:

   Note 2 to the Statement which states that the Company has adopted Ind AS for the financial year commencing from April 1, 2016, and accordingly, the Statement has been prepared by the Company's Management in compliance with Ind AS. Our conclusion is not qualified in respect of these matters.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Avijit Mukerji
Partner
Membership Number: 056155

Place: Gurgaon
Date: January 31, 2017