

HCL INFOSYSTEMS LIMITED
Unaudited Financial Results for the quarter ended June 30, 2017
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Statement of Consolidated Results for the quarter ended June 30, 2017

(Rs. In Lakhs)

Particulars	Consolidated			
	Unaudited			Audited
	Three months ended			Year ended
	30.06.2017	31.03.2017	30.06.2016	31.03.2017
1 Income				
Revenue From Operations	68,423	82,258	1,14,699	3,73,372
Other Income	2,971	3,335	3,613	14,568
Total Income	71,394	85,593	1,18,312	3,87,940
2 Expenses				
(a) Cost of materials consumed	19	20	24	79
(b) Purchase of stock-in-trade	48,778	53,282	80,389	2,50,724
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(4,824)	675	837	5,713
(d) Employee benefits expense	12,266	12,205	14,854	53,951
(e) Finance costs	4,361	4,887	4,437	19,029
(f) Depreciation and amortisation expense	816	704	708	3,148
(g) Other expenses	16,330	20,635	21,346	77,399
Total expenses	77,746	92,408	1,22,595	4,10,043
3 Profit / (Loss) before exceptional items and Tax from continuing operations (1 - 2)	(6,352)	(6,815)	(4,283)	(22,103)
4 Exceptional Items Loss / (Gain)	-	5,000	-	5,000
5 Profit / (Loss) before tax from continuing operations (3 - 4)	(6,352)	(11,815)	(4,283)	(27,103)
6 Tax expense / (Credit)				
(a) Current tax	98	766	93	1,131
(b) Deferred tax	(1,235)	(1,548)	(1,101)	(5,631)
7 Net Profit / (Loss) for the period from continuing operations (5 - 6)	(5,215)	(11,033)	(3,275)	(22,603)
8 Profit / (Loss) from discontinued operations	(297)	(1,378)	(295)	(2,164)
9 Tax expense / (Credit) of discontinued operations	-	-	-	-
10 Net Profit / (Loss) for the period from Discontinued operations (8 - 9)	(297)	(1,378)	(295)	(2,164)
11 Net Profit / (Loss) for the period (7+ 10)	(5,512)	(12,411)	(3,570)	(24,767)
12 Other comprehensive income				
A (i) Items that will not be reclassified to profit or loss	1	85	2	91
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	12	-	14
B (i) Items that will be reclassified to profit or loss	116	(226)	-	(761)
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Total other comprehensive income, net of income tax	117	(153)	2	(684)
13 Total comprehensive income for the period (11 + 12)	(5,395)	(12,564)	(3,568)	(25,451)
14 Net Profit/(Loss) attributable to:				
- Shareholders	(5,512)	(12,411)	(3,570)	(24,767)
- Non-controlling interests	(0.00)	(0.00)	-	(0.00)
Total comprehensive income attributable to:				
- Shareholders	(5,395)	(12,564)	(3,568)	(25,451)
- Non-controlling interests	(0.00)	(0.00)	-	(0.00)
15 Paid-up equity share capital (Face value per share in Rs. 2/-)	4,458	4,458	4,458	4,458
16 Reserve excluding revaluation reserves as per balance sheet of previous accounting year				50,484
17 Earnings per share for continuing operations (of Rs 2/- each) (not annualised):				
(a) Basic	(2.3)	(4.9)	(1.5)	(10.1)
(b) Diluted	(2.3)	(4.9)	(1.5)	(10.1)
18 Earnings per share for discontinued operations (of Rs 2/- each) (not annualised):				
(a) Basic	(0.1)	(0.6)	(0.1)	(1.0)
(b) Diluted	(0.1)	(0.6)	(0.1)	(1.0)
19 Earnings per share for discontinued & continuing operations (of Rs 2/- each) (not annualised):				
(a) Basic	(2.5)	(5.6)	(1.6)	(11.1)
(b) Diluted	(2.5)	(5.6)	(1.6)	(11.1)

Segment-wise Information

Particulars	Unaudited			Audited
	Three months ended			Year ended
	30.06.2017	31.03.2017	30.06.2016	31.03.2017
1. Segment Revenue				
- Hardware Products and Solutions	4,043	10,228	12,249	36,161
- Services	21,157	22,917	24,471	94,583
- Distribution	43,873	50,394	80,440	2,47,004
- Learning	155	191	283	948
Total	69,228	83,730	1,17,443	3,78,696
Less : Intersegment revenue	805	1,472	2,744	5,324
Net Sales / Income from continuing operations	68,423	82,258	1,14,699	3,73,372
2. Segment Results (Profit / (Loss) before Tax and Interest from each segment)				
- Hardware Products and Solutions	(755)	(2,005)	1,477	(569)
- Services	(1,035)	(5,736)	(2,013)	(10,208)
- Distribution	(265)	47	518	710
- Learning	(23)	(97)	75	279
Total	(2,078)	(7,791)	57	(9,788)
Less :				
i) Interest Expense	4,361	4,887	4,437	19,029
ii) Other un-allocable expenditure net off un-allocable (income)	(87)	(863)	(97)	(1,714)
Total Profit / (Loss) before Tax from continuing operations	(6,352)	(11,815)	(4,283)	(27,103)
3. Segment Assets				
- Hardware Products and Solutions	1,21,326	1,23,850	1,53,334	1,23,850
- Services	82,959	74,053	93,516	74,053
- Distribution	54,133	44,204	50,457	44,204
- Learning	1,801	2,375	5,303	2,375
- Discontinued Operations	4,844	5,060	6,631	5,060
- Unallocated	56,336	68,861	55,361	68,861
Total Assets	3,21,399	3,18,403	3,64,602	3,18,403
4. Segment Liabilities				
- Hardware Products and Solutions	56,988	58,537	68,224	58,537
- Services	20,240	22,215	22,892	22,215
- Distribution	51,852	42,739	54,875	42,739
- Learning	1,461	1,595	1,831	1,595
- Discontinued Operations	43	44	51	44
- Unallocated	1,41,286	1,38,331	1,39,763	1,38,331
Total Liabilities	2,71,870	2,63,461	2,87,636	2,63,461

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 26, 2017. The results have been subjected to a limited review by the statutory auditors.
2. The Board of Directors of HCL Learning Limited (the wholly owned subsidiary), in its meeting held on April 27, 2017, approved the slump sale of Digischool Business undertaking (consisting of business of sale of software licenses to K-12 schools), a part of HCL Learning Limited, as a going concern to M/s. Everest Edusys and Solutions Private Limited (the "Entity"). Pursuant to this, HCL Learning Limited has entered into a business transfer arrangement with the entity, for transfer of Digischool Business undertaking. The closure of slump sale transaction is subject to certain conditions listed out in the Business Transfer Agreement. Based on assessment of actions taken by the Entity to meet terms and conditions mentioned in Business Transfer Agreement, the Company believes that it is highly probable that closure of sale transaction will be completed within next 12 months. The assets and liabilities attributable to digischool business undertaking has accordingly been categorised as 'held for sale', in accordance with Ind AS 105, and are therefore carried at fair value as at June 30, 2017, which does not have any material impact on current quarter results. The results for the quarter ended June 30, 2017 and earlier periods presented above, attributable to digischool business undertaking, are presented as discontinued operations.

Place : Noida
Date : July 26, 2017

3. Exceptional items include :

Particulars	Unaudited			Audited
	Three months ended			Year ended
	30.06.2017	31.03.2017	30.06.2016	31.03.2017
a. Impairment of Goodwill for Services business	-	5,000	-	5,000
Total (Gain) / Loss	-	5,000	-	5,000

4. Consolidated Results include financial results of HCL Infosystems Limited, and its subsidiaries.
5. 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