

HCL INFOSYSTEMS LIMITED

CIN - L72200DL1986PLC023955

Registered Office: 806, Siddharth, 96, Nehru Place, New Delhi-110 019

Corporate Office: E-4, Sector XI, Noida-201 301 (U.P.)

Telephone: +91 120 2520977, 2526518, 2526519, **Fax No.:** +91 120 2523791

Website: www.hclinfosystems.com, **Email:** cosec@hcl.com

POSTAL BALLOT NOTICE

Pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and further amendments, if any made thereunder

Dear Member,

NOTICE is hereby given pursuant to Sections 108 & 110 of the Companies Act, 2013 ("Act") read with Rule 20 and 22 of Companies (Management and Administration) Rules 2014, as amended from time to time including any statutory modification or re-enactment thereof for the time being in force, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws and regulations, to the members of HCL Infosystems Limited that it is proposed to transact the following special business by the members of the Company by passing the resolutions through Postal Ballot or E-Voting:

SPECIAL BUSINESS

PROPOSED SPECIAL RESOLUTION NO. 1

To sell/ transfer/ dispose off the entire investments of HCL Infosystems Limited in its wholly owned subsidiary, HCL Services Limited to M/S Karvy Data Management Services Limited

To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT, pursuant to the provisions of Section 180(1)(a) and other applicable Sections of the Companies Act, 2013 read with Companies (Management and Administration) Rules 2014 (including any statutory modification or re-enactment thereof for the time being in force) and Regulation 24(5) and other applicable Regulations of SEBI (Listing Obligations and disclosure requirements) Regulations, 2015, (including any statutory modification or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company and such other approvals, consents and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent of the Members be and is hereby accorded to sell / transfer / dispose off the entire investments of HCL Infosystems Limited in HCL Services Limited, a wholly owned subsidiary to M/s Karvy Data Management Services Limited, a public limited Company ("buyer") for a consideration of approximately Rs. 108 Crores to Rs. 112.27 Crores (subject to final adjustments on the Closing Date), including the tax refunds of Rs. 87 Crores which would be paid to the Company as and when received by HCL Services Limited from Indian tax authorities."

"RESOLVED FURTHER THAT the Board and the Committee as may be authorized by the Board in this regard be and is hereby authorised and empowered to finalise and execute necessary transaction related documents including but not limited to Share Sale Agreement etc with effect from such date and in such manner as deemed necessary by the Board and to do all such other acts, deeds, matters and things as they may deem necessary and/ or expedient to give effect to the above transaction including without limitation negotiating and finalizing the terms of transfer, executing the necessary agreements, memoranda, deeds of assignment/conveyance, undertakings, etc, to settle any questions, difficulties or doubts that may arise in regard to sale as they may in their absolute discretion deem fit."

"RESOLVED FURTHER THAT the any one of the Directors or Mr. Sushil Kumar Jain, Company Secretary of the Company, be and is hereby authorized to perform and execute all such acts, deeds, matters and things including but not limited to making timely intimation to stock exchange(s), and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard to give full effect to the aforesaid resolution."

**By order of the Board
For HCL Infosystems Limited**

**Date : 9th February, 2018
Place : Noida**

**Sushil Kumar Jain
Company Secretary
ACS 8917**

ANNEXURE TO NOTICE

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts and reasons for the proposed special resolution is appended herein below.
2. Mr. Vineet K Chaudhary, partner of VKC & Associates, Practicing Company Secretary (Membership No. F5327) and in case of failure of Mr. Vineet K Chaudhary, Mr. Mohit K Dixit, Practicing Company Secretary (Membership No. A49021), has been appointed as Scrutinizer for conducting the postal ballot and e-voting process in accordance with the Companies Act, 2013 and the Rules made there under in a fair and transparent manner.
3. As per Section 110 of the Act, read with Rule 20 & 22 of the Companies (Management and Administration) Rules 2014, as amended from time to time, the Postal Ballot Notice may be served on the members through electronic means, or by registered post/speed post or through courier service. Accordingly, Members who have registered their e-mail IDs with depositories or with the Company are being sent this Notice of Postal Ballot by e-mail and the members who have not registered their e-mail IDs will receive Notice of Postal Ballot along with the Postal Ballot Form by any permitted mode.
4. The Postal Ballot Notice is being sent to all the members whose names appear on the Register of Members/ list of Beneficial Owners, as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) as on close of business hours on Friday, 9th February, 2018, and a person who ceases to be a Member after the said date, should treat this Notice for information purposes only. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Members as on Friday, 9th February, 2018. A member cannot exercise his/ her vote by proxy on Postal Ballot.
5. A Postal Ballot Form and a postage prepaid self-addressed business reply envelope are attached to this Notice. The self-addressed envelope bears the address to which duly completed Postal Ballot Form is to be sent.
6. In compliance with the provisions of Section 108, 110 and other applicable provisions of the Companies Act, 2013 read with the relevant Rules and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has also extended e-voting facility as an alternate, for its members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. The instructions for e-voting are mentioned in the Postal Ballot Form, given electronically. The Company has engaged the services of NSDL for the purpose of providing e-voting facility to the members.
7. The documents referred to in the Notice and explanatory statement annexed thereto are available for inspection at the registered office of the Company and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company between 11:00 A.M. to 1:00 P.M. on all working days i.e Monday to Friday, till 24th March, 2018.
8. The Members who do not receive the Postal Ballot Notice and Form may apply to the Company at cosec@hcl.com to receive the duplicate thereof.
9. The members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form, and record their assent (for) or dissent (against) to the item(s) so listed, by returning the same duly completed and signed in the attached postage pre-paid self-addressed envelope. However, Postal Ballot Form(s), if sent by courier or by registered post at the expense of the member(s) will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given thereon. The duly completed Postal Ballot Form(s) should reach the Scrutinizer on or before 5 P.M. IST of Saturday, 24th March, 2018 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the member(s).
10. The Scrutinizer's decision on the validity of the Postal Ballot shall be final. He will submit his report on the result of the voting by Postal Ballot and e-voting to the Chairman or a person authorized by him in writing on Monday, 26th March, 2018.
11. The final results of the voting by Postal Ballot, as to whether the resolution has been carried or not, will be declared by the Chairman or a person authorized by him in writing, at the registered office of the Company at 806, Siddharth, 96, Nehru Place, New Delhi-110019 on Monday, 26th March, 2018, along with details of the number of votes cast for and against the Resolution, invalid votes. The results of the Postal Ballot with details of the number of votes cast for and against the Resolution, invalid votes and whether the Resolution has been carried or not, along with Scrutinizer Report will be displayed on the Notice Board of the Company at its Registered Office and as well as Corporate Office, and will also be posted on the website of the Company www.hclinfosystems.com as well as on the website of NSDL www.evoting.nsdl.com and shall be intimated to the Stock Exchanges on which the shares of the Company are listed. The Resolution, if passed by requisite majority, will be deemed to have been passed on the last date specified by the company for receipt of duly completed postal ballot forms or e-voting.
12. The Postal Ballot Notice is also placed on the website of the Company www.hclinfosystems.com and on the website of NSDL www.evoting.nsdl.com .

Explanatory statement pursuant to section 102 of the Companies Act, 2013

As per Section 180(1)(a) of the Companies Act, 2013, any sale, lease or otherwise disposal of the whole or substantially the whole of an undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking, requires the approval of the shareholders by way of a special resolution. An undertaking shall mean an undertaking in which the investment of the company exceeds twenty per cent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty per cent of the total income of the company during the previous financial year.

The Company proposes to divest its entire investments (including the additional investments of the Company in HCL Services Limited pursuant to the conversion of outstanding inter corporate deposits payable by HCL Services Ltd to the Company before the Closing Date) in HCL Services Limited (Domestic Enterprise Services Business), a wholly owned subsidiary to M/s Karvy Data Management Services Limited for a consideration ranging from Rs. 108 Crores to Rs. 112.27 Crores (subject to final adjustments on the Closing Date), including the tax refunds of Rs. 87 Crores to be paid to the Company as and when received by HCL Services Limited from Indian tax authorities. Further, any interest receivable from the Indian tax authorities on the amount of tax refund shall also be paid to the Company upon actual receipt. The consideration is subject to final adjustments at time of Closing Date which is expected to be on 1st April, 2018. The closure of the transaction is subject to certain conditions precedent as mentioned in the Binding Memorandum of Understanding and other transaction related documents. The transaction excludes the following business, assets and investments of HCL Services Limited:

- (i) Care business, which is in the process of sale to another Independent buyer;
- (ii) IT & Facility unit; and
- (iii) Investments in Singapore subsidiaries & its step down subsidiaries.

As the investment of the Company in HCL Services Limited exceeds 20% of the net worth of the Company as on the date of the last audited balance sheet i.e., on 31st March, 2017, the Company is required to obtain the Shareholders approval by way of a Special Resolution.

Further, pursuant to Regulation 24(5) of SEBI (Listing Obligations and disclosure requirements) Regulations, 2015, a listed entity shall not dispose of shares in its Material Subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than fifty percent or cease the exercise of control over the subsidiary without passing a special resolution. The "Material Subsidiary" for this purpose means a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

The binding MOU in the proposed transaction for divestment of the entire shareholding of the Company in HCL Services Limited has been signed on 9th February, 2018. However, the transaction is proposed to be executed in the month of April, 2018.

As on 31.03.2017, HCL Services Limited is not a Material Subsidiary. However, the position of materiality of HCL Services Limited at the time of execution of the transfer will be tested basis the Audited Financial Result of the Company and the Audited Financial Result of HCL Services Limited as on 31.03.2018 which will be ready only by month of May, 2018. Therefore, as a precautionary measure, it is proposed to have in place the shareholders' approval by way of a special resolution under Regulation 24(5) of the SEBI (Listing obligations and Disclosure requirements) Regulations, 2015 also.

None of the Directors, Key Managerial Person, or their relatives is concerned or interested in this resolution except to the extent of their shareholding, if any, in the Company.

The company has been working on various optimisation efforts in the Domestic Enterprise Services Business. The board, on the basis of ongoing performance of this business, has recommended a divestment of this business. Your Board of Directors recommends the passing of the resolutions as set out under item no. 1 for approval of the Members as Special Resolution through postal ballot.

You are requested to communicate your assent or dissent for the aforesaid proposal(s), in accordance with the instructions set out herein.

**By order of the Board
For HCL Infosystems Limited**

**Date : 9th February, 2018
Place : Noida**

**Sushil Kumar Jain
Company Secretary
ACS 8917**

HCL INFOSYSTEMS LIMITED

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POSTAL BALLOT FORM (To be returned to the Scrutinizer)

Serial No.:

- Name(s) of the Shareholder(s) including Joint-holders, if any (in Block Letters) :
- Registered Address of the Sole/ First named shareholder :
- Registered Folio No./ DPID No. / Client ID No.* :
(* Applicable to investors holding shares in demat form)
- No. of Equity Shares held :

ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	USER ID	PASSWORD/PIN

I/We hereby exercise my/our vote in respect of the Special Resolution to be passed through Postal Ballot for the special business stated in the Postal Ballot Notice of the Company dated 09.02.2018 by sending my/our assent or dissent to the said resolution by placing tick (✓) mark at the appropriate box below.

Item No.	Description	No. of Shares held	I/We assent to the Resolution (FOR)	I/We dissent to the resolution (AGAINST)
1.	To sell/ transfer/ dispose off the entire investments of HCL Infosystems Limited in its wholly owned subsidiary, HCL Services Limited to M/S Karvy Data Management Services Limited.			

Place:

Date:

(Signature of the Shareholder)

Notes: If the voting rights are exercised electronically, there is no need to use this form.

Please read carefully the instructions printed in the Postal Ballot Notice before exercising the vote.

INSTRUCTIONS FOR VOTING:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
 - c. How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a. Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/ folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to hclscrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

A. PROCESS FOR MEMBERS OPTING FOR VOTING BY POSTAL BALLOT

- i. Members desiring to cast their vote by Postal Ballot should complete and sign the Postal Ballot Form and send it to the Scrutinizer, Mr. Vineet K Chaudhary, partner of VKC & Associates, Practicing Company Secretary (Membership No. F5327) at the Registered office of the Company. Postal Ballot Forms deposited in person will also be accepted.
- ii. In case of joint holding, this Postal Ballot Form should be completed and signed by the first named Member and in his absence by the next named Member.
- iii. The signature of the Member on this Postal Ballot Form should be as per the specimen signature furnished by National Securities Depository Limited (NSDL) /Central Depository Services (India) Limited (CDSL) or registered with the Company, in respect of shares held in dematerialized form or in physical form, respectively.
- iv. Duly completed Postal Ballot Forms should reach the Scrutinizer not later than Saturday, 24th March, 2018. (5.00 P.M. IST). Postal Ballot Forms received after this date will be considered invalid.
- v. The postal ballot form shall be considered invalid if:
 - (a) A form other than the one issued by the company has been used;
 - (b) It has not been signed by or on behalf of the Member;
 - (c) Signature on the postal ballot form doesn't match the specimen signatures with the Company
 - (d) It is not possible to determine without any doubt the assent or dissent of the Member;
 - (e) Neither assent nor dissent is mentioned;
 - (f) Any competent authority has given directions in writing to the Company to freeze the Voting Rights of the Member;
 - (g) The envelope containing the postal ballot form is received after the last date prescribed;
 - (h) The postal ballot form, signed in a representative capacity, is not accompanied by a certified copy of the relevant specific authority;
 - (i) It is received from a Member who is in arrears of payment of calls;
 - (j) It is defaced or mutilated in such a way that its identity as a genuine form cannot be established;
 - (k) Member has made any amendment to the Resolution or imposed any condition while exercising his vote.
- vi. A Member seeking duplicate Postal Ballot Form or having any grievance pertaining to the Postal Ballot process can write to Mr. Sushil Kumar Jain, Company Secretary of the Company at e-mail ID cosec@hcl.com.
- vii. Members are requested not to send any paper (other than the resolution/authority as mentioned above) along with the Postal Ballot Form.

B. OTHER INSTRUCTIONS:

- i. The e-voting period commences on Friday, 23rd February, 2018 (9.00 A.M. IST) and ends on Saturday, 24th March, 2018. (5.00 P.M. IST) and voting shall not be allowed beyond the said date and time. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on Friday, 9th February, 2018, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on Friday, 9th February, 2018.
- iii. Voting rights in the Postal Ballot/ e-voting cannot be exercised by a proxy.
- iv. Mr. Vineet K Chaudhary, partner of VKC & Associates, Practicing Company Secretary (Membership No. F5327) and in case of failure of Mr. Vineet K Chaudhary, Mr. Mohit K Dixit, Practicing Company Secretary (Membership No. A49021), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- v. The Scrutinizer will submit his Report to the Chairman of the Company or the person authorized by him on Monday, 26th March, 2018.
- vi. Members who do not have access to e-voting facility may send duly completed Ballot Form so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Vineet K Chaudhary, partner of VKC & Associates, Practicing Company Secretary (Membership No. F5327), at the Registered Office of the Company not later than Saturday, 24th March, 2018 (5.00 P.M. IST).

A member cannot vote both by post and e-voting and if he votes both by post and e-voting, his vote by post shall be treated as invalid.