

Report on Corporate Governance

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company firmly believes that good corporate governance practices ensure efficient conduct of the affairs of the Company, while upholding the core values of transparency, integrity, honesty and accountability, and help the Company in its goal to maximize value for all its stakeholders.

The Company adopts and adheres to the best recognized corporate governance practices and continuously strives to better them.

The Company is in compliance with the requirements of the guidelines on corporate governance, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. BOARD OF DIRECTORS:

- (i) As on 31st March 2022, the Board of Directors of the Company comprises six Directors, out of which, four are Independent Directors, including two women Directors. The composition of the Board is in conformity with Regulation 17(1) and 17(A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Dilip Kumar Srivastava, Non- Independent and Non-Executive Director of the Company, resigned w.e.f. closing hours of 31st March 2022 to pursue other passion.
- (ii) None of the Directors on the Board is a member of more than ten Committees or Chairman of more than five Committees as specified in Regulation 26(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 across all the public companies in which he is a director. Necessary disclosures regarding Committee position in other public companies as on 31st March 2022 have been made by the Directors.
- (iii) All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of the Companies Act, 2013 (Act). In the opinion of the Board, all the Independent Directors fulfil the conditions specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management. The maximum tenure of Independent Directors is in accordance with the Act.
- (iv) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the financial year 2021-22 and the last Annual General Meeting, and the number of directorship and committee chairmanship/membership held by them in other public companies is given below. Other directorship does not include that of private limited companies, foreign companies and companies incorporated under Section 8 of the Companies Act, 2013. Chairmanship/membership of Board Committees includes only Audit Committee and Stakeholders' Relationship Committee.

Names	Category	No. of Board Meetings during 2021-22		Whether attended last AGM held on 22 nd September, 2021	No. of Directorships in other public companies as on 31 st March, 2022	Name of other listed company and the category of Directorship as on 31 st March, 2022	No. of Committee positions held in other public companies as on 31 st March, 2022	
		Held	Attended				Chairman	Member
Dr. Nikhil Sinha (Chairman)	Independent & Non-executive Director	7	6	Yes	3	-	-	-
Mr. Kaushik Dutta	Independent & Non-executive Director	7	7	Yes	7	1. New Delhi Television Limited (Independent Director) 2. Newgen Software Technologies Limited (Independent Director) 3. PB Fintech Limited (Independent Director) 4. Zomato Limited (Independent Director)	4	7

Names	Category	No. of Board Meetings during 2021-22		Whether attended last AGM held on 22 nd September, 2021	No. of Directorships in other public companies as on 31 st March, 2022	Name of other listed company and the category of Directorship as on 31 st March, 2022	No. of Committee positions held in other public companies as on 31 st March, 2022	
		Held	Attended				Chairman	Member
Ms. Ritu Arora	Independent & Non-executive Director	7	7	Yes	4	-	-	2
Ms. Sangeeta Talwar	Independent & Non-executive Director	7	7	Yes	6	1. TCNS Clothing Co. Limited (Independent Director) 2. Castrol India Limited (Independent Director) 3. Mahindra Holidays & Resorts India Limited (Independent Director)	1	6
Mr. Dilip Kumar Srivastava*	Non-independent & Non-executive Director	7	7	Yes	3	-	-	-
Mr. Pawan Kumar Danwar	Non-independent & Non-executive Director	7	7	Yes	1	-	-	-

*Mr. Dilip Kumar Srivastava, resigned from the directorship of the Company w.e.f. closing hours of 31st March 2022

Mr. Neelesh Agarwal appointed as Additional Director, designated as Non-Independent and Non-Executive Director, w.e.f. 1st April, 2022

- (v) Seven Board Meetings were held during the financial year 2021-22 and the gap between two meetings did not exceed 120 days. The dates on which the Board Meetings were held are as follows:

21 st April, 2021	14 th June, 2021	25 th June, 2021
06 th August, 2021	2 nd November, 2021	8 th February, 2022
25 th March, 2022		

- (vi) Inter-se Relationship among Directors: none of the Director is a relative of other Director(s).
- (vii) Necessary information as mentioned in Part A of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the Board for their consideration.

Some of the items discussed at the Board/Board Committees meetings are listed below:

- Annual operating plans and budgets and all updates.
- Capital budgets and all updates.
- Quarterly results for the Company and its operating divisions or business segments.
- Minutes of meetings of audit committee and other committees of the Board.
- The information on recruitment and remuneration of senior officers just below the level of Board of Directors, including appointment or resignation of the chief financial officer and the company secretary
- Show cause, demand, prosecution notices and penalty notices which are materially important.
- Sale of investments, subsidiaries which are material in nature and not in normal course of business
- Quarterly details of foreign exchange exposures and steps taken by the management to limit the risks of adverse exchange rate movement, if material.
- Discussion and review of Business Operations.
- Advancement of inter-corporate loan to subsidiaries, if any.
- Issue of corporate guarantees(s) on behalf of subsidiaries, if any.

- l. Minutes of meetings of Board of Directors of subsidiary companies.
- m. Review of operations of subsidiary companies.
- n. Review of related party transactions.
- o. Review of statutory compliances.

3. COMMITTEES OF THE BOARD

(i) ACCOUNTS AND AUDIT COMMITTEE:

- a. The Accounts and Audit Committee of the Company was constituted in August' 1998.
- b. The Committee is governed by a Charter.
- c. The brief description of the terms of reference of the Audit Committee inter-alia include the following:
 - 1. Recommending to the Board, the appointment, re-appointment, remuneration and terms of appointment and, if required, the replacement or removal of the auditors of the Company.
 - 2. Approval of payment to statutory auditors for any other services rendered by them.
 - 3. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
 - 4. To review and monitor the auditor's independence and performance, and effectiveness of audit process.
 - 5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report under Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgement by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements related to financial statements.
 - Disclosure of any related party transactions.
 - modified opinion(s) in the draft audit report.
 - 6. Review, with the management, the quarterly financial statements before submission to the Board for approval.
 - 7. Examination of the financial statements and the auditors' report thereon.
 - 8. Evaluation of internal financial controls and risk management systems.
 - 9. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
 - 10. Reviewing and monitoring, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 - 11. Approval or any subsequent modification of transactions of the company with related parties.
 - 12. Scrutiny of inter-corporate loans and investments.
 - 13. Valuation of undertakings or assets of the Company, wherever necessary.
 - 14. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - 15. Discussion with internal auditors of any significant findings and follow-up thereon.
 - 16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
 - 17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
19. To review the functioning of the Whistle Blower mechanism.
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, background, etc. of the candidate.
21. The Audit Committee shall mandatorily review the following information:
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - Management letters/letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the Chief internal auditor.
 - statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
22. To perform any other function as may be assigned by the Board from time to time.
- d. The composition, powers, roles and the terms of reference of the Committee are in terms of the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the Committee members have reasonable knowledge of finance and accounting, and two members possess financial and accounting expertise.
- e. The composition of the Accounts and Audit Committee and details of meetings attended by its Chairman/ members are given below:

Name	Category	No. of Meetings	
		Held	Attended
Mr. Kaushik Dutta (Chairman)	Independent & Non-executive	9	9
Dr. Nikhil Sinha(Member)	Independent & Non-executive	9	8
Ms. Ritu Arora(Member)	Independent & Non-executive	9	9
Ms. Sangeeta Talwar(Member)	Independent & Non-executive	9	9

- f. The Audit Committee met Nine times during the financial year 2021-22 on the following dates:

21 st April 2021	14 th June 2021	25 th June 2021
6 th August 2021	17 th August 2021	2 nd November 2021
13 th December 2021	8 th February 2022	25 th March 2022
- g. The previous Annual General Meeting of the Company was held on 22nd September 2021 and it was attended by the Chairman of the Committee.
- h. The Company Secretary of the Company acts as Secretary to the Committee.
- i. The Board had accepted all the recommendations of the Audit committee of the board, which was mandatorily required, during the financial year 2021-22

(ii) NOMINATION AND REMUNERATION COMMITTEE:

- a. The Nomination & Remuneration Committee was constituted in August 1998.
- b. The Committee is governed by a Charter.
- c. The brief description of the terms of reference of the Committee inter alia includes:

Charter of the Committee:

The purpose of the Committee is to:

1. Manage the following set of activities with respect to members of the Board of Directors of the Company:

- Appointment of Directors
 - Formulate the criteria for determining qualification, positive attributes and independence of Directors
 - Review and recommend potential candidates to the Board for appointment with due consideration to Board diversity
 - Evaluation of performance of the Directors of the Board
 - Establish criteria for evaluation of Director's performance
 - Conduct evaluation and submit the report to the Chairman of the Board (if necessary, the Committee may seek external consulting assistance in this matter)
 - Remuneration of Directors including Executive and Non-executive Directors
 - Recommend policy for approval by the Board
2. Manage the following set of activities with respect to key managerial personnel viz., Executive Directors, Managing Director, Chief Executive Officer (CEO)/Manager, Chief Financial Officer (CFO), Company Secretary of the Company and in future, such persons as recommended by the Board:
- Establish and review the performance scorecard for key managerial personnel for each financial year
 - Review and recommend compensation, incentive and bonus plans for MD/CEO/Manager and other key managerial personnel based on performance evaluation outcomes
 - The committee should also review, guide, and finalize succession planning for key managerial personnel
3. Manage the following set of activities with respect to the senior management of the Company:
- Review the performance scorecard for the senior management for each financial year
 - Review and recommend to the Board the compensation, incentive, and bonus plans for the senior management as proposed by the HR Head/Manager/CFO based on his / her evaluation of the performance outcomes of the senior management
 - The Committee should also review, guide, and finalize succession planning for senior management
4. Other activities:
- Wherever considered necessary, the committee may review matters such as Organizational Structure, HR Charter, proposal from the HR Head/Manager/CFO on annual compensation plan, pay hikes and budgets across organization for all employees globally etc.
 - In case considered appropriate the Board may recommend a review of any other areas considered critical to performance of Business
- d. The composition of the Nomination and Remuneration Committee and the details of meetings attended by its chairman/members are given below:

Name	Category	No. of Meetings	
		Held	Attended
Ms. Sangeeta Talwar (Chairperson)	Independent & Non-executive	6	6
Dr. Nikhil Sinha (Member)	Independent & Non-executive	6	5
Mr. Dilip Kumar Srivastava*(Member)	Non-independent & Non-executive	6	6
Mr. Pawan Kumar Danwar**(Member)	Non-independent & Non-executive	NA	NA

*Mr. Dilip Kumar Srivastava, resigned from the directorship of the Company w.e.f. closing hours of 31st March 2022

**Mr. Pawan Kumar Danwar appointed as member of committee w.e.f. 1st April, 2022

- e. The Committee met Six times during the financial year 2021-22 on the following dates:

21 st April, 2021	25 th June 2021	6 th August 2021
02 nd November, 2021	8 th February, 2022	25 th March, 2022

- f. The Board had accepted all the recommendations of the Nomination and Remuneration Committee, which was mandatorily required, during the financial year 2021-22

g. **Compensation policy for Non-executive Directors (NEDs):**

Within the ceiling of 1% of the net profits of the Company computed under the applicable provisions of the Companies Act, 2013 and after obtaining the approval of the shareholders, the Non-executive Directors are paid a commission, the amount whereof is determined based on the policy adopted by the Company laying down the criteria relating to their positions on the Board and the various Board Committees. However, in view of the losses incurred by the Company during the year ended 31st March 2022, no commission be paid to Non-executive Directors for the year ending 31st March 2022.

These Directors are also paid sitting fees at the rate of ₹ 75,000 for attending each meeting of the Board and the Board Committees. The sitting fees are paid to the Independent Directors.

h. **Details of remuneration paid / payable to all the Directors for the period from 1st April 2021 to 31st March 2022**

(₹/lakh)

Name	Salary & Allowances	Perquisites	Performance Linked Bonus	Commission	Sitting Fees
Dr. Nikhil Sinha	NIL	NIL	NIL	NIL	15.00
Mr. Dilip Kumar Srivastava*	NIL	NIL	NIL	NIL	NIL
Mr. Pawan Kumar Danwar	NIL	NIL	NIL	NIL	NIL
Ms. Sangeeta Talwar	NIL	NIL	NIL	NIL	20.25
Mr. Kaushik Dutta	NIL	NIL	NIL	NIL	16.50
Ms. Ritu Arora	NIL	NIL	NIL	NIL	16.50
Total	NIL	NIL	NIL	NIL	68.25

*Mr. Dilip Kumar Srivastava, resigned from the directorship of the Company w.e.f. closing hours of 31st March 2022

The above remuneration excludes reimbursement of expenses on actual to the Directors for attending meetings of the Board/Committees.

i. **Details of stock options issued to Directors:**

The Company has not granted any options to any of the Director of the Company.

j. **Period of contract of Executive Director:**

The Company does not have any Executive Director on the Board.

k. **There were no pecuniary relationships or material, financial and commercial transactions of the Non- executive Directors and the senior management vis-à-vis the company.**

l. **As on 31st March 2022, Mr. Kaushik Dutta was holding 4,000 shares in the Company. No other Director was holding any shares of the Company as on 31st March 2022.**

(iii) STAKEHOLDERS RELATIONSHIP COMMITTEE:

a. **The Stakeholders Relationship Committee was constituted to oversee and review all matters connected with the transfer and transmission of shares of the Company and the matters related thereto and redressal of shareholders/investors' complaints.**

b. **The role of the committee shall inter-alia include the following:**

- To Resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- To review the communication received from shareholders and how the issues has been addressed by the Company/RTA.
- To approve share transfers or delegate the same to an officer or a committee or to the registrar and share transfer agent who will attend to share transfer formalities at least once in a fortnight.
- To authorize RTA to have frequent meeting for transfer of shares in physical form submit the report to the Company on share transferred, rejection cases of transfer.
- To review and approve to release new share certificates without surrender of the corresponding old share certificates which are reported lost and not traceable and to transmit the shares, if requested.
- To review the details of shareholders and shareholding on periodical basis and report in the Stakeholders Relationship Meeting.

7. To review the adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent and note the Certificate issued by the RTA of the Company on various compliances related to maintenance of shareholders data and connected matters like share like transfer, split, dematerialization, re-materialization etc.
 8. To review the shareholding pattern including change in shareholding of promoters, if any.
 9. To review the details of dealing in shares by Directors/Designated Employees.
 10. Review of measures taken for effective exercise of voting rights by shareholders.
 11. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- c. The composition of the Stakeholders Relationship Committee and the details of meetings attended by its Chairperson/members are given below:

Name	Category	No. of Meetings	
		Held	Attended
Ms. Sangeeta Talwar (Chairperson)	Independent & Non-executive	4	4
Mr. Pawan Kumar Danwar(Member)	Non-independent & Non-executive	4	4
Mr. Dilip Kumar Srivastava*(Member)	Non-independent & Non-executive	4	4
Mr. Neelesh Agarwal**(Member)	Non-independent & Non-executive	NA	NA

*Mr. Dilip Kumar Srivastava, resigned from the directorship of the Company w.e.f. closing hours of 31st March 2022

**Mr. Neelesh Agarwal appointed as member of committee w.e.f. 1st April, 2022

- d. The Committee met four times during the financial year 2021–22 on the following dates:

25 th June, 2021	06 th August, 2021	2 nd November, 2021
8 th February, 2022		

- e. **Name, designation, and address of Compliance Officer:**

Ms. Komal Bathla
 Company Secretary and Compliance Officer
 HCL Infosystems Limited
 A-11, Sector 3,
 NOIDA (U.P.) – 201301
 Tel: 0120-2526490
 Fax:91 1202523791

- f. **Investor Grievances / Complaints**

The details of the Investor Complaints during the Financial Year ended 31st March 2022 are as follows:

Opening Balance	Number of shareholders' complaints received	No. of Complaints Resolved	Number not solved to the satisfaction of shareholders	Number of pending complaints.
0	1	1	0	0

(iv) OTHER COMMITTEES

- a. **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

1. In compliance with Section 135 of Companies Act, 2013, Corporate Social Responsibility Committee was constituted in the year 2014.
2. The Committee is governed by a Charter.
3. The terms of reference of the Committee inter alia includes:
 - To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company.
 - To recommend the amount of expenditure to be incurred on the activities referred above.

- To monitor the Corporate Social Responsibility Policy of the Company from time to time.
 - To undertake such other activities as it may deem expedient to discharge its functions or which can be assigned to it by the Board of Directors from time to time.
4. The composition of the Corporate Social Responsibility Committee is given below:

Name	Category
Ms. Sangeeta Talwar (Chairperson)	Independent & Non-executive
Mr. Pawan Kumar Danwar(Member)	Non-Independent & Non-executive
Mr. Dilip Kumar Srivastava*(Member)	Non-Independent & Non-executive
Mr. Neelesh Agarwal**(Member)	Non-Independent & Non-executive

*Mr. Dilip Kumar Srivastava, resigned from the directorship of the Company w.e.f. closing hours of 31st March 2022

**Mr. Neelesh Agarwal appointed as member of committee w.e.f. 1st April, 2022

Since the Company has incurred losses, computed as per provisions of section 198, during the last three years, the Company was not required to spend any amount on CSR during the financial year 2021-22. Therefore, no meeting of CSR Committee was conducted during the financial year 2021-22.

b. FINANCE COMMITTEE

1. The Company constituted a Committee of Director in 1999 and renamed as Finance Committee in 2011.
2. The Committee is governed by a Charter.
3. The terms of reference of the Committee inter alia includes: -
 - Capital structure plans and specific equity and debt financings.
 - Review the Corporate Guarantee/bonds provided by the Company either directly or through banks in connection with the Company's business, to any third parties and recommend to the Board.
 - Approve opening / closing of bank accounts of the Company and change in signatories for operating the bank accounts.
 - The Committee shall review annual budgets and other financial estimates and provide its recommendations to the Board.
 - The Committee shall on a quarterly basis review the actual performance of the Company against the plans.
 - Capital expenditure plans and specific capital projects
 - Evaluate the performance of and returns on approved capital expenditure
 - Customer financing
 - Mergers, acquisitions, buy backs, demerger and divestitures
 - Evaluate the performance of acquisitions
 - Fresh/further Investment in subsidiaries / JVs / Branches
 - Evaluate the performance of subsidiaries / JVs / branches
 - Plans and strategies for managing the foreign exchange exposure
 - Investment of surplus funds
 - The Committee shall recommend dividend policy to the Board.
 - Insurance coverage and program
 - Perform any other activities or responsibilities assigned to the Committee by the Board of Directors from time to time.
 - Delegate authorities from time to time to the executives/authorized persons to implement the decisions of the Committee within the powers authorized above
 - Review of the total BG issued V/s BG Limits

4. The composition of the Finance Committee and the details of meetings attended by its chairperson/ members are given below:

Name	Category	No. of Meetings	
		Held	Attended
Mr. Kaushik Dutta (Chairperson)	Independent & Non-executive	5	5
Mr. Pawan Kumar Danwar (Member)	Non-Independent & Non-executive	5	5
Ms. Ritu Arora (Member)	Independent & Non-executive	5	5

5. The board had accepted all the recommendations of the Finance Committee, which was mandatorily required, during the financial year 2021-22.

4. Independent Directors' Meeting

During the year under review, the Independent Directors' meeting was conducted on 25th March 2022, to discuss the following:

- review the performance of Non-independent Directors and the Board as a whole
- review the performance of the Chairman of the Company, taking into account the views of Non-executive Directors
- assess quality, quantity, and timeliness of flow of information between the Company management and the Board that is necessary for the Board to perform their duties effectively and reasonably

All Independent Directors attended the meeting.

5. Familiarization Programme for Independent Directors

During the year under review, no Independent Director was inducted on the Board of the company. Apart from this, the Company frequently organizes familiarization programme to update the Independent Directors on the business and operations of the company.

The details of such familiarization programmes are posted on the website of the company and can be accessed at https://hclinfosystems.in/wp-content/uploads/2016/09/Familiarisation_programme_For_Independent_Directors-1.pdf

6. Key Board Skills, Expertise and Competence

The Company's Board comprises qualified members with required skills, expertise and competence that allow them to make contributions to the Board and its Committees.

In the table below, the specific areas of expertise/skills/competence of individual Board members have been highlighted. However, the absence of mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

S. No	Area of Expertise/skills/competence	Dr. Nikhil Sinha	Mr. Kaushik Dutta	Ms. Sangeeta Talwar	Ms. Ritu Arora	Mr. Pawan Kumar Danwar	Mr. Neelesh Agarwal
1	Strategy (Experience in developing and implementing business strategy)	✓	✓	✓	✓	✓	✓
2	Leadership (Leadership experience and corporate leadership positions held)	✓	✓	✓	✓	✓	✓
3	Financial and Risk Management (Experience in financial accounting, corporate finance, risk management and internal controls)	✓	✓	✓	✓	✓	✓

S. No	Area of Expertise/ skills/competence	Dr. Nikhil Sinha	Mr. Kaushik Dutta	Ms. Sangeeta Talwar	Ms. Ritu Arora	Mr. Pawan Kumar Danwar	Mr. Neelesh Agarwal
4	Governance and Board (Experience as corporate Board member or membership of industry or other governance bodies)	✓	✓	✓	✓	✓	✓
5	Technology (Significant background in or knowledge of technology including its impact on business models and strategy)	✓	-	-	-	-	-

Note: Mr. Dilip Kumar Srivastava, resigned from the directorship of the Company w.e.f. closing hours of 31st March 2022
Mr. Neelesh Agarwal appointed as additional director of the Company w.e.f. 1st April 2022

7. APPOINTMENT AND REMUNERATION POLICY OF DIRECTORS, SENIOR MANAGEMENT AND OTHER EMPLOYEES

The Company believes that a diverse Board will be able to leverage different skills, qualifications, professional experiences which is necessary for achieving sustainable and balanced development. In accordance with the provisions of Section 178 of the Companies Act, 2013 and Part D of Schedule II of the Listing Regulations, the Company has adopted the policy on nomination and remuneration of Directors (Executive, Non-executive and Independent), key managerial personnel (KMP), senior management and other employees of the Company. The policy also specifies the criteria for determining qualifications, positive attributes, and independence of a Director. The policy is available on the website of the Company and can be accessed at

<https://hclinfosystems.in/wp-content/uploads/2020/05/Appointment-and-Remuneration-policy.pdf>

8. Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors conducted a formal annual performance evaluation of its own performance, the Committees of the Board, and each individual Director.

The Company had appointed an external agency to initiate the online board evaluation of the Board, Committees and individual directors including independent directors, as per the assessment form designed in-house by the Company's Human Resource Department. The report content and quality were reviewed by an Independent HR consultant, and she shared the results with the Board Chairman – Dr. Nikhil Sinha.

Independent Directors in their separate meeting have reviewed the performance of non-independent directors and the Board as a whole. They also reviewed the performance of the Chairperson of the Company.

9. CODE OF BUSINESS CONDUCT AND ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT:

The Company has adopted a comprehensive code of conduct for its directors and senior management, which lays the standards of business conduct, ethics, and governance.

The Code has been circulated to all the members of the Board and senior management and they have affirmed compliance of the same.

10. UNLISTED SUBSIDIARY COMPANIES:

The Company has six unlisted subsidiaries as on 31st March 2022 as under:

S.No.	Name of the Company	Date of Incorporation / Acquisition
1.	Digilife Distribution and Marketing Services Limited	19 th March, 2008
2.	HCL Learning Limited	28 th September, 2012
3.	HCL Infotech Limited	28 th September, 2012
4.	Pimpri Chinchwad eServices Limited	21 st September 2010
5.	HCL Investments Pte. Limited, Singapore	29 th November, 2010
6.	Nurture Technologies FZE (formerly known as HCL Infosystems MEA FZE, Dubai) (acquired)	4 th July, 2010

The Audit Committee reviewed the financial statements of the unlisted subsidiary companies. The Minutes of the Board and Committee meetings of the unlisted subsidiary companies are regularly placed before the Board. The Board also reviewed the statement of all significant transaction and arrangement entered by the unlisted subsidiary companies. Presently, the company is having a policy on material subsidiaries which is posted on the website of the Company and can be accessed at <https://hclinfosystems.in/wp-content/uploads/2019/04/Material-subsidary-policy.pdf>

11. RELATED PARTY TRANSACTIONS

All the related party transactions as defined under the Companies Act, 2013 and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered during the financial year 2021–22 were in the ordinary course of business and at arm's length. The Audit Committee has approved all the related party transactions for the financial year 2021–22. The Company has not entered any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Board of Directors of the Company has on the recommendation of the Audit Committee, adopted a Related Party Transactions Policy in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. The said policy is posted on the website of the Company and can be accessed at <https://hclinfosystems.in/wp-content/uploads/2016/09/Related-Party-transaction-policy.pdf>

All related party transactions are placed before the Audit Committee and the Board for approval.

12. VIGIL MECHANISM/WHISTLE BLOWER POLICY

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had adopted a Vigil Mechanism/ Whistle Blower Policy for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. No person has been denied access to the Chairman of the Audit Committee. The said Policy is posted on the website of the company and can be assessed at https://hclinfosystems.in/wp-content/uploads/2016/09/Whistleblower_Policy_.pdf

13. GENERAL BODY MEETINGS:

(i) The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Mode/Location
2020-21	22 nd September, 2021	10:00 a.m.	Video Conference ("VC")/Other Audio Visual Means ("OAVM") (Deemed venue: 806, Siddharth, 96, Nehru Place, New Delhi-110 019)
2019-20	29 th September, 2020	10:00 a.m.	Video Conference ("VC")/Other Audio Visual Means ("OAVM") (Deemed venue: 806, Siddharth, 96, Nehru Place, New Delhi-110 019)
2018-19	16 th September, 2019	10:00 a.m.	Kamani Auditorium, 1, Copernicus Marg, New Delhi- 110001

(ii) The special resolutions which were passed at the last three AGMs are as follows:

AGM held on 22nd September 2021

- Appointment of Mr. Raj Kumar Sachdeva as Manager of the Company
- Confirmation for appointment of Mr. Vinod Pulyani as Manager of the Company

AGM held on 29th September 2020

- Re-appointment of Ms. Ritu Arora (DIN: 07019164) as an Independent Director.
- Authorization to sell certain properties held in the name of the Company.
- Authorization to surrender Company's Plot located at Plot No 1-9, Sunrise City IT Park, Anandapur, Nonadanga, Kolkata to IT Department Kolkata.
- Amendment of the Employee Stock Option Scheme 2000 (Scheme 2000) and Employee Stock Based Compensation Plan 2005 (Scheme 2005) by inserting the "Amendment and Termination clause".

AGM held on 16th September 2019

- Re-appointment of Mr. Kaushik Dutta as an Independent Director of the Company
- Re-appointment of Ms. Sangeeta Talwar as an Independent Director of the Company

- Change of designation of Dr. Nikhil Sinha from Non-independent Director to Independent Director
- Approval for the revision in remuneration to be paid to Mr. Rangarajan Raghavan (DIN: 07932761), Managing Director of the Company.
- Approval for sell/transfer/dispose off the shares of step-down subsidiary, HCL Insys Pte. Ltd, Singapore to M/s PCCW Solutions Limited.

14. Postal Ballot

Pursuant to Section 110 and 108 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the Company has initiated the process of postal ballot vide Postal Ballot Notice dated 14th May 2022 for seeking approval of the members of the Company by way of Ordinary Resolution for:

- Appointment of Mr. Neelesh Agarwal (DIN: 00149856) as Non-Independent and Non- Executive Director of the Company liable to retire by rotation

In accordance with the MCA & SEBI Circulars, physical copy of the Postal Ballot Notice along with Postal Ballot Forms and pre-paid business reply envelope has not been sent to the shareholders for this Postal Ballot and the shareholders are required to communicate their assent or dissent through the remote e-voting system only.

The Board of Directors has appointed Mr. Vineet K Chaudhary, a Practicing Company Secretary (Membership No. F5327) (C. P No. 4548), and failing him, Mr. Mohit K Dixit, a Practicing Company Secretary (Membership No. A49021) (C. P No. 17827) as the Scrutinizer for conducting the postal ballot and e-voting process in a fair and transparent manner.

The Company has engaged the services of National Securities Depository Limited (NSDL) for providing remote e-voting facility to all its members. The e-voting period commences on Thursday, 19th May 2022 (09:00 A.M. IST) and ends on Friday, 17th June 2022 (05:00 P.M. IST).

15. MANAGER/CFO CERTIFICATION:

The Certificate as stipulated in Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was placed before the Board along with the financial statements for the financial year ended 31st March 2022 and the Board reviewed the same. Copy of certification is attached to this report.

16. DISCLOSURES:

- The Company has complied with the requirements of the stock exchanges/SEBI/any statutory authority on all matters related to capital markets during the last three years except error as mentioned below:
 - Delay of 2 days in furnishing prior intimation about the meeting of the board of directors held on 2nd November 2021 in the financial year 2021-22 for which fine has been paid to NSE/BSE under Standard Operating Procedures (SOP) guidelines of SEBI
 - one error in composition of the Nomination & Remuneration Committee (NRC) Committee in the financial year 2019-20, which has been compounded by payment of fee to NSE/BSE under Standard Operating Procedures (SOP) guidelines of SEBI.
- A qualified practicing Company Secretary carried out secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The report confirms that the issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- The Board of the Company has adopted a risk management policy for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis, including aligning the internal audit function to areas of key risks.
- Pursuant to Section 204 of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Secretarial Audit has been done by M/s VKC & Associates, a firm of practicing company secretaries for financial year 2021-22. *The Secretarial Auditor during the audit has mentioned the following instance as mentioned below:*

"a delay of two (2) days in providing prior intimation given on 29th October, 2021 to Stock Exchanges (NSE and BSE) under regulation 29(2) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015, for Board Meeting scheduled on 2nd November 2021 in which the financial results of the Company for quarter ended 30th September 2021 was enlisted for discussion and approval.

Consequently, the stock exchanges have issued the notices for such delay under the provision of Standard Operating Procedure (SOP) and imposed a penalty of Rs. 10,000/- plus GST amounting to Rs.11,800 respectively. We are informed by the management that the Company has paid the penalty to both the Stock Exchange and such no further comments"

- (v) The Company has fulfilled all the Mandatory requirements as per Listing Regulations and the following non-mandatory requirements as prescribed in Part E of Schedule II r/w Regulation 27(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:
 - a. The Company has appointed non-executive independent director to the post of chairperson.
 - b. The statutory financial statements of the Company are unqualified.
 - c. Internal Auditor can directly report to the Audit Committee.
- (vi) The company has complied with corporate governance requirements as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vii) The Company has taken a certificate from M/s VKC & Associates, a firm of practicing Company Secretaries confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The certificate is annexed herewith as '**Annexure-A**'.
- (viii) **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:** During the period under review, the total fees of ₹ 80,25,000 (Eighty Lakhs twenty-five thousand) has been paid to the statutory auditors for the audit of the Company and its subsidiaries and ₹ 10,30,000 (Ten lakhs and thirty thousand) for special non-statutory audit assignment to KPMG Assurance and Consulting Services LLP (network entity). This fee excludes applicable taxes and out-of-pocket expenses.
- (ix) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as under:
 - a. Number of complaint filed during the financial year: 0
 - b. Number of complaint disposed of during the financial year: 0
 - c. Number of complaint pending as on the end of the financial year: 0

17. MEANS OF COMMUNICATION:

- (i) **Quarterly/Half Yearly/Annual Results:** The quarterly, half yearly and annual results of the company are sent to the stock exchanges immediately after they are approved by the Board.
- (ii) **News Releases:** The quarterly, half yearly and annual results of the company are published in the prescribed format within 48 hours of the conclusion of the meeting of the Board in which they are considered, at least in one English newspaper circulating in the whole or substantially the whole of India and in one vernacular newspaper of the state where the registered office of the company is situated.

The quarterly financial results during the financial year 2021-22 was published as detailed below:

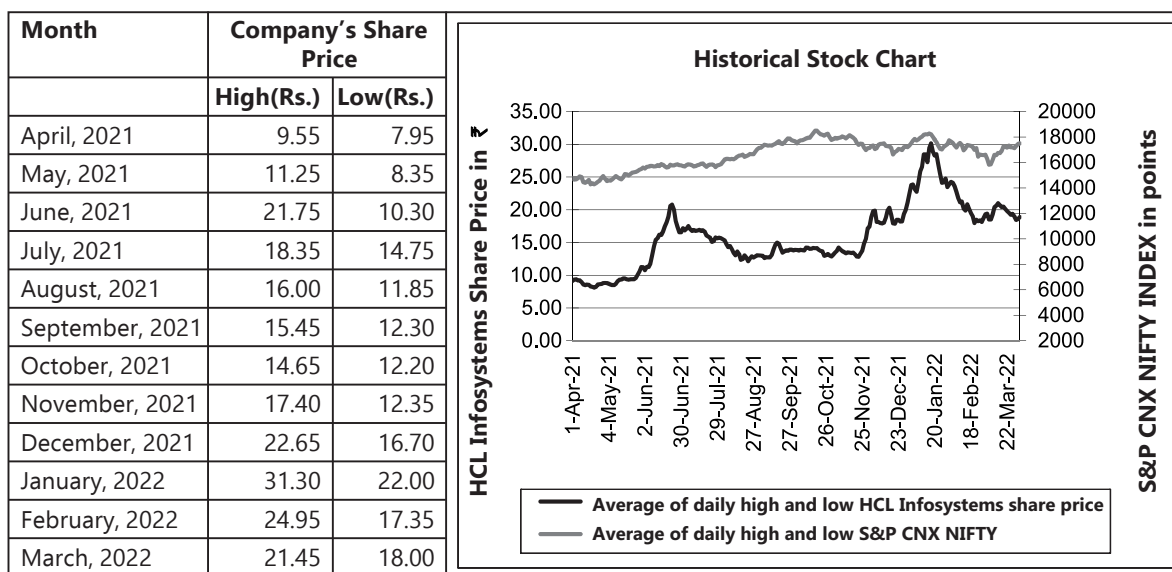
Quarter (FY 2021-22)	Date of Board Meeting	Date of Publication	Name of the Newspaper
1	25 th June, 2021	26 th June 2021	Business Standard
2	06 th August, 2021	7 th August 2021	Business Standard
3	2 nd November 2021	3 rd November 2021	Business Standard
4	8 th February, 2022	9 th February 2022	Business Standard

- (iii) **Website:** The Company's website www.hclinfosystems.in contains a separate section on 'Investors' where the latest shareholders information is available. The quarterly, half yearly and annual results are regularly posted on the website. Official Press/news releases and presentations on investor call (if any) made by the company from time to time and presentations made to investors and analysts are displayed on the company's website.
- (iv) **NSE Electronic Application Processing System (NEAPS), BSE Corporate Compliance & Listing Centre:** National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) have developed web-based applications for corporates. Periodical compliances like financial results, shareholding pattern and corporate governance report, etc., are also filed electronically on NEAPS/ BSE listing centre.

- (v) **Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Board Report, Auditors' Report, and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MDA) Report forms part of the annual report. The annual report is also available on the Company's website.

18. GENERAL SHAREHOLDERS' INFORMATION:

- (i) Annual General Meeting:
- Date : Wednesday 21st September 2022
- Time : 10:00 A.M.
- Mode : Video Conference ("VC")/Other Audio-Visual Means ("OAVM")
(Deemed Venue: 806, Siddharth, 96, Nehru Place, New Delhi - 110019)
- (ii) The Company follows April to March year end.
- (iii) Dividend Payment date: Not Applicable
- (iv) Date of Book Closure: 16th September 2022 (Friday)—21st September 2022 (Wednesday) (both days inclusive)
- (v) Listing on Stock Exchanges:
- a) National Stock Exchange of India Limited (Exchange Plaza, Block G, C/1, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051)
- b) BSE Limited (Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001)
- Annual listing fee for the Financial Year 2021- 22 has been paid to the BSE Limited and the National Stock Exchange of India Limited.
- (vi) Plant Locations: NA
- (vii) Stock Codes/Symbol:
- National Stock Exchange of India Limited:HCL-INSYS
- BSE Limited : Physical Form–179
: Demat Form–500179
- (viii) Market Price Data:



(Source : The National Stock Exchange of India Ltd.)

- (ix) Registrar and Transfer Agents (RTA):
- Name & Address : M/s. Alankit Assignments Limited
205-208, Anarkali Complex,
Jhandewalan Extension,
New Delhi-110055

HCL INFOSYSTEMS

Contact Person : Mr. J. K. Singla, Senior Manager
 Phone No. : 011-42541234,23541234
 Fax No. : 23552001
 E-Mail : rta@alankit.com

(x) Share Transfer System:

SEBI has mandated that, effective April 1, 2019, no share can be transferred in physical mode. Hence, the Company has stopped accepting any fresh lodgement of transfer of shares in physical form. The Company had sent communication to the shareholders encouraging them to dematerialise their holding in the Company. The communication, inter alia, contained procedure for getting the shares dematerialised. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation.

During the year, the Company had obtained, a certificate, from a Company Secretary in Practice, certifying that all certificates have been issued within thirty days of the date of lodgement of the transfer (for cases lodged prior to April 1, 2019), sub-division, consolidation and renewal as required under Regulation 40(9) of the Listing Regulations and filed a copy of the said certificate with the Stock Exchanges. Trading in equity shares of the Company is permitted only in dematerialised form. Transfer of dematerialized shares is done through the depositories with no involvement of the Company.

(xi) Shareholders' Referencer:

The shareholders' referencer is available on the Company's website. Any shareholder who wishes to obtain copy of the same can send his request to the Company Secretary.

(xii) Distribution of Shareholding as on 31st March 2022:

No. of equity shares	Shareholders		Total Shares	
	Number	(%)	Number	(%)
Upto 500	152,589	82.42	176,15,473	5.35
501-1000	15,744	8.50	131,66,687	4.00
1001-2000	8,286	4.48	127,92,233	3.89
2001-3000	3,016	1.63	78,17,192	2.37
3001-4000	1,321	0.71	47,98,967	1.46
4001-5000	1,279	0.69	61,35,061	1.86
5001-10000	1,714	0.93	129,53,119	3.93
10001 and above	1,181	0.64	2,539,31,196	77.14
Total	1,85,130	100.00	32,92,09,928	100.00

(xiii) Shareholding pattern as on 31st March 2022:

Category	No. of shares	Percentage (%)
Promoters / Promoters Group	20,70,31,161	62.89
Mutual Funds/Alternate Investment Funds	5,500	0.00
NBFCs	2,57,150	0.08
Foreign Portfolio Investors	70,147	0.02
Insurance Companies	5,00,097	0.15
Financial Institutions / Banks	7,525	0.00
Bodies Corporate	1,32,96,346	4.05
Indian Public	9,86,79,642	29.97
NRI / Trust/HUF/others	84,61,183	2.57
Central Government (IEPF Fund)	9,01,177	0.27
TOTAL	32,92,09,928	100.00

(xiv) **Dematerialization of shares and liquidity:**

The shares of the Company are compulsorily traded in dematerialized form and are available for trading on both the depositories in India i.e., NSDL & CDSL. As on 31st March 2022, 99.35% equity shares of the Company were held in dematerialized form.

The Company's shares are regularly traded on the NSE and the BSE in electronic form.

Under the Depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE 236A01020.

(xv) The Company has not issued any GDRs/ADRs. There are no outstanding warrants or convertible instruments as on 31st March 2022.

(xvi) **Address for Correspondence:**

The shareholders may address their communication/suggestions/grievances/queries to the registrar and share transfer agents at the address mentioned above, or to:

The Compliance Officer

HCL Infosystems Limited

A-11, Sector-3,

NOIDA (U.P.) – 201301.

Tel. No.: 0120-2520977, 2526518, 2526519

Fax: 91 120 2523791

Email: cosec@hcl.com

(xvii) **Credit Rating**

The Company has credit rating of "BBB-/Negative" as long-term issuer rating and "A3" as short-term issuer rating, indicating moderate degree of safety regarding timely servicing of financial obligations", from India Ratings and Research (Ind-Ra).

(xviii) **Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:** NIL

(xix) **Company Website:**

The Company has its website namely www.hclinfosystems.in. This provides detailed information about the Company and its subsidiaries. It also contains updated information on the financial performance of the Company and procedures involved in completing various investors' related transactions expeditiously. The quarterly results, annual reports and shareholding distributions, etc., are updated on the website of the Company from time to time.



HCL INFOSYSTEMS

Code of Conduct

This is to certify that the Company has laid down a Code of Conduct (the Code) for all Board Members and Senior Management Personnel of the Company and a copy of the Code is put on the website of the Company viz. www.hclinfosystems.in

It is further confirmed that all the Directors and Senior Management have affirmed their compliance with the Code for the year ended 31st March 2022.

Place: Noida
Date 26th May, 2022

(Raj Kumar Sachdeva)
Manager

MANAGER AND CHIEF FINANCIAL OFFICER CERTIFICATION UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

This is to certify that:

- (a) We have reviewed the financial statement and the cash flow statement for the financial year ended 31st March 2022 and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and Audit Committee, and steps have been taken to rectify these deficiencies.
- (d) There have been no significant changes in internal controls over financial reporting and in accounting policies during the year requiring disclosure in the notes to the financial statements and we are not aware of any instance of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

(Raj Kumar Sachdeva)
Manager

(Alok Sahu)
Chief Financial Officer



HCL INFOSYSTEMS

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

***(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)***

To

The Members of

HCL INFOSYSTEMS LIMITED

CIN: L72200DL1986PLC023955

**Registered Office Address: - 806, SIDDHARTH 96,
NEHRU PLACE, NEW DELHI-110019.**

We have examined the registers, records, forms, returns and disclosures received from the Directors of **HCL INFOSYSTEMS LIMITED** having **CIN L72200DL1986PLC023955** and having registered office **at 806, Siddharth 96, Nehru Place, New Delhi-110019** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr No.	Name of the Directors	Director Identification Number (DIN)	Date of appointment in the Company
1.	Ms. Sangeeta Talwar	00062478	11/02/2014
2.	Dr. Nikhil Sinha	01174807	29/07/2009
3.	Mr. Kaushik Dutta	03328890	11/02/2014
4.	Mr. Dilip Kumar Srivastava*	06847137	21/03/2014
5.	Mr. Pawan Kumar Danwar	06847503	21/03/2014
6.	Ms. Ritu Arora	07019164	06/04/2015

Mr. Dilip Kumar Srivastava resigned from the directorship of the Company w.e.f. closing hours of 31st March 2022.

The eligibility for appointment/ continuity of every Director on the Board of Directors of the Company is the responsibility of the Management of the Company. Our responsibility is to express an opinion based on the verification of the records maintained by the Company, annual disclosure received by the Company from its Directors and verification of the status of DIN data of the Directors available on the Ministry of Corporate Affairs Portal.

This Certificate is neither an assurance as to future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is based on the information and records available up to this date and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

For **VKC & ASSOCIATES**

(Company Secretaries)

Unique Code: P2018DE077000

CS Mohit K Dixit

Partner

ACS No. 49021

CP No. 17827

UDIN: A049021D000364644

Date : 28.05.2022

Place : New Delhi

Corporate Governance Certificate

INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (Listing Obligations and Disclosure Requirements) REGULATIONS, 2015

TO THE MEMBERS OF HCL Infosystems Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 26 November 2018 and addendum to the engagement letter dated 26 May 2022.
2. We have examined the compliance of conditions of Corporate Governance by **HCL Infosystems Limited** ("the Company"), for the year ended 31 March 2022, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2022.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No: 116231W/ W-100024

Girish Arora

Partner

Membership No: 098652

UDIN: 22098652AJUIEZ4399

Place : New Delhi

Date : 28 May 2022

Secretarial Audit Report

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
HCL INFOSYSTEMS LIMITED

CIN L72200DL1986PLC023955

Registered Office Address: - 806, Siddharth,
96 Nehru Place, New Delhi-110019 India

We report that:

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HCL INFOSYSTEMS LIMITED** (hereinafter referred as 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Company's Responsibilities

The Company's Management and Board of Directors are responsible for the maintenance of secretarial record under the Companies Act, 2013 and compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards. Further the Company's management and the Board of Directors are also responsible for establishing and maintaining adequate systems and process, commensurate with the size and operations of the Company to identify, monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

Auditor's Responsibilities Statement

Our responsibility is only to examine and verify those compliances on a test basis and express an opinion on these secretarial records based on our audit.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Limitations

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Secretarial Auditing Standards as prescribed by Institute of Company Secretaries of India (ICSI).

Further, we conducted the secretarial audit by examining the secretarial records including minutes, documents, registers, other records and returns related to the applicable laws on the Company etc. received via electronic means. The management has confirmed that the records submitted to us are the true and correct.

Basis of opinion

We have followed the audit practices, secretarial auditing standards and processes as were applicable and appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification in some cases were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion. We also believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on Secretarial Records and Compliances made thereunder

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - **Not Applicable**
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable**
 - (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; - **Not Applicable**
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable as the Company is not a registered Registrar to an Issue or Transfer Agent.**
 - (h) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2021; - **Not Applicable**
 - (i) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018; - **Not Applicable**
- (vi) The Company has identified following laws specifically applicable to the Company and we have relied upon the representation made by the Company and its officers for the system and mechanism framed by the Company for compliances thereunder;
 - (a) The Information Technology Act, 2000;
 - (b) The Indian Copyright Act, 1957;
 - (c) The Patents Act, 1970;
 - (d) The Trade Marks Act, 1999;
 - (e) The Legal Metrology Act, 2009

We have also examined compliance with the applicable provisions of the following: -

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with **BSE Limited (BSE)** and **National Stock Exchange of India Limited (NSE)**.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Standards and Guidelines etc. mentioned above *except for a delay of two (2) days in providing prior intimation given on 29th October, 2021 to Stock Exchanges (NSE and BSE) under regulation 29(2) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015, for Board Meeting scheduled on 2nd November 2021 in which the financial results of the Company for quarter ended 30th September 2021 was enlisted for discussion and approval.*



HCL INFOSYSTEMS

Consequently, the stock exchanges have issued the notices for such delay under the provision of Standard Operating Procedure (SOP) and imposed a penalty of ₹ 10,000/- plus GST amounting to ₹ 11,800 respectively. We are informed by the management that the Company has paid the penalty to both the Stock Exchange and such no further comments.

We further report that

The Board of Directors of the Company has been duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice(s) have been given to all directors to schedule the Board & Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and in case of shorter notice, compliance as required under the Act has been made by the Company and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board & Committee Meetings have been carried out with requisite majority of the members of the Board or committees as the case may be. Further there is no case of views of the dissenting members as per the recordings in the minutes of the meetings of the Board thereof.

We further report that there are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has the following specific events/actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards & guidelines, if any, as may be referred to above:

During the period under review:

- a) Pursuant to the application under Section 230 to 232 for the approval of Scheme of Amalgamation between HCL Learning Limited and Digilife Distribution and Marketing Services Limited (DDMS) as Transferor Companies with the Company as Transferee Company. The Company on the Directions of the Hon'ble National Company Law Tribunal, Special Bench (NCLT) has convened separate meeting for equity shareholders and unsecured creditors on the 30th November, 2021 and consequently the Company has moved its second motion before the Hon'ble NCLT and the same was admitted via order dated 18.01.2022. The matter is listed for final argument as such no further comments.
- b) The Board of Directors of HCL Infosystems Limited in its meeting held on 10th February, 2021 approved the sale of HCL Infotech Limited, a wholly owned subsidiary of the Company, to Novezo Consulting Pvt. Ltd. as per the terms & conditions of the share purchase agreement entered into between HCL Infosystems and Novezo Consulting. The transaction is subject to statutory approvals of authorities and closure of certain conditions precedent. This transaction excludes;
 1. UIDAI and Rajasthan Power Projects;
 2. Residual Business (assets and liabilities, which consist of completed SI Projects and other discontinued and closed projects of HCL Infotech Limited);
 3. HCL Investments Pte. & its step-down subsidiary, Nurture Technologies FZE.

However, one of the customers of the HCL Infotech Limited in key defense project which is forming part of the business transfer agreement has asked the Company to maintain status quo and explore alternative options. The Company is in discussion with the investor and the customer, and the closure of the transaction is yet to be done.

FOR VKC & ASSOCIATES

(Company Secretaries)

Unique Code: P2018DE077000

CS Mohit K Dixit

Partner

ACS No. 49021

C P No. 17827

UDIN: A049021D000364589

Peer Review Certificate. No. 1955/2022

Date : 28/05/2022

Place : New Delhi

To,

The Members,

HCL INFOTECH LIMITED

CIN: U72200DL2012PLC242944

Registered office address: - 806, Siddharth,
96 Nehru Place, New Delhi South Delhi-110019 India

We report that:

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HCL INFOTECH LIMITED** (hereinafter referred as 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Company's Responsibilities

The Company's Management and Board of Directors are responsible for the maintenance of secretarial record under the Companies Act, 2013 and compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards. Further the Company's management and the Board of Directors are also responsible for establishing and maintaining adequate systems and process, commensurate with the size and operations of the Company to identify, monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

Auditor's Responsibilities Statement

Our responsibility is only to examine and verify those compliances on a test basis and express an opinion on these secretarial records based on our audit.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Limitations

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Secretarial Auditing Standards as prescribed by Institute of Company Secretaries of India (ICSI).

Further, we conducted the secretarial audit by examining the secretarial records including minutes, documents, registers, other records and returns related to the applicable laws on the Company etc. have been received via electronic means. The management has confirmed that the records submitted to us are the true and correct. We have also relied upon representation given by the management of the Company for certain areas which otherwise requires physical verification.

Basis of opinion

We have followed the audit practices, secretarial auditing standards and processes as were applicable and appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification in some cases were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion. We also believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on Secretarial Records and Compliances thereof

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

HCL INFOSYSTEMS

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Not Applicable**
 - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **Not Applicable**
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - **Not Applicable**
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable**
 - (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; - **Not Applicable**
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable as the Company is not a registered Registrar to an Issue or Transfer Agent.**
 - (h) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2021; - **Not Applicable**
 - (i) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018; - **Not Applicable**
- (vi) The Information Technology Act, 2000 is specifically applicable to the Company and we have carried out a limited review and also relied upon the representation made by the Company and its officers for the system and mechanism framed by the Company for compliances made thereunder.

We have also examined compliance with the applicable provisions of the following: -

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s); - **Not Applicable**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Standards and Guidelines etc. mentioned above;

We further report that:

The Board of Directors of the Company has been constituted by Non-Executive Directors and Independent Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice(s) has been given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and in case of shorter notice, compliance as required under the Act has been made by the Company and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings have been carried out with requisite majority of the members of the Board. Further there is no case of views of the dissenting members as per the recordings in the minutes of the meetings of the Board.

We further report that there are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has the following specific event/action having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards & guidelines:

- a) The Board of Directors of the Company has entered into a Share Purchase Agreement (SPA) executed between HCL Infosystems Limited (Holding Company) and Novezo Consulting Pvt. Ltd (Novezo) dated 10th February, 2021 for the sale of the shareholding of the Company by Holding Company to Novezo, subject to statutory approvals of authorities and closure of certain conditions precedent. This transaction excludes;

- 1) UIDAI and Rajasthan Power Projects;
- 2) Residual Business (assets and liabilities, which consist of completed HCL Infosystems SI Projects and other discontinued and closed projects of the Company);
- 3) HCL Investments Pte. & its step-down subsidiary, Nurture Technologies FZE.

However, one of the customers of the Company in key defense project which is forming part of the business transfer agreement has asked the Company to maintain status quo and explore alternative options. The Company is in discussion with the investor and the customer, and the closure of the transaction is yet to be done

FOR VKC & ASSOCIATES*(Company Secretaries)**ICSI Unique Code: P2018DE077000***CS Mohit K Dixit***Partner*

ACS No. 49021

C P No. 17827

UDIN: A0490210000364721

Peer Review Certificate. No. 1955/2022

Date : 27.05. 2022**Place : New Delhi**

Independent Auditor's Report (Revised)

To the Members of HCL Infosystems Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of HCL Infosystems Limited (the "Company"), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Material uncertainty related to Going Concern

We draw attention to note 57 of the standalone financial statements, which states that the Company has accumulated losses as at 31 March 2022 and its net worth is fully eroded as at that date. Further, the Company's current liabilities exceed its current assets as at 31 March 2022. These conditions, along with other matters set forth in note 58, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern i.e., whether the Company will be able to realise its assets and discharge all its contractual obligations and liabilities as they fall due in near future in the normal course of the business. However, based upon the measures as set forth in the note 57 including necessary financial support from a significant promoter shareholder, the management and the Board of Directors of the Company have a reasonable expectation that the Company will be able to operate as a going concern in the near future. Accordingly, management has prepared the standalone financial statements on a going concern basis.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Except for the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no other key audit matters to be communicated in our report.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matter

This revised report has been issued with reference to standalone financial statements of the Company for the year ended 31 March 2022 that Board of Directors had approved in their meeting held on 28 May 2022 on which we had issued our Audit Report dated 28th May 2022 (referred to as "Original Audit Report"). We noted that certain disputed statutory dues disclosed under clause vii (b) of the Companies (Auditor's Report) Order, 2020 in Annexure A to our Original Audit Report were erroneously reported with the header as "₹ Crores" though some the amounts mentioned were in ₹ Lakhs. This revised report has been issued to rectify the error noted in clause vii (b) of the Companies (Auditor's Report) Order, 2020. Since the error relates to only audit report and it does not have any impact on the standalone financial statements of the Company approved by the Board of Directors of the Company on 28 May 2022, no revision / amendment has been made in the standalone financial statements of the Company.

Accordingly, no additional procedures have been carried out for any other event occurring after 28 May 2022 (being the date of the Original Audit Report.) Our Original Audit Report dated 28 May 2022 is superseded by this audit report.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) The going concern matter described under the *Material Uncertainty Related to Going Concern* paragraph above, in our opinion, may have an adverse effect on the functioning of the Company; and
 - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 37 to the standalone financial statements.

- b) The Company has long-term contracts for which there are no material foreseeable losses. The Company did not have any long-term derivative contracts as on 31 March 2022.
- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material misstatement.
- e) The Company has neither declared nor paid any dividend during the year.
- (C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No. 116231W/ W-100024

Place: New Delhi
Date: 14 September 2022

Girish Arora
Partner
Membership No. 098652
UDIN: 22098652ASCMDU5473

Annexure A To Independent Auditor's Report (Revised)

Annexure A referred to in our Independent Auditor's Report (Revised) to the members of HCL Infosystems Limited on the standalone financial statements for the year ended 31 March 2022

(Referred to in paragraph (1) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us no discrepancies were noticed on such verification.

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value in INR Crore	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Land and Buildings at Ambattur, Chennai	5.58	M/s. HCL Peripherals Limited	Refer note below	Since 01-JUL-98	Refer note below

Note: Ambattur, Chennai immovable property held in the name of HCL Peripherals Limited, which was a wholly owned subsidiary of HCL Corporation Limited (Parent Company) and got merged with parent company in the year 2010. The company acquired aforesaid immovable property from HCL Peripherals Limited in the year 1998 as part of Business Transfer Transaction. There is no dispute as to title of the property. As per the Business Transfer Agreement, in the event the company dispose off the property, HCL Peripherals and the company shall jointly execute and register sale deed in favour of the purchaser to convey a valid title to the purchaser.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company does not hold any physical inventories as at year end. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except statement for quarter ended 31 March 2022 which is yet to be filed by the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in companies, firms, limited liability partnership or any other parties. The Company has provided guarantee and security and has granted loans and advances in the nature of loans to Companies during the year, in respect of which the requisite information is as below. The Company has not provided any guarantee or security, granted any loans or advances in the nature of loans, secured or unsecured, to limited liability partnership or any other parties during the year.

- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to the Companies as below:

₹ in crore

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year - Subsidiaries	-	-	51.53	-
Balance outstanding as at balance sheet date - Subsidiaries	38.35	-	54.42	-

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided, security given during the year and the terms and conditions of the grant of loans and advances in the nature of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of following loans given, there is no stipulation of schedule of repayment of principal and payment of interest since these loans are either repayable on demand or as an when the surplus fund would be available with the respective parties. Accordingly, we are unable to comment on the regularity of repayment of principal and payment of interest:

Name of the entity	₹ in crore	Remarks
Digilife Distribution and Marketing Services Limited	4.47	There is not stipulation of schedule of repayment of principal or payment of interest since these loans are either repayable on demand or as an when the surplus fund would be available with the respective parties.
HCL Learning Limited	49.95	

Further, the Company has not given any advance in the nature of loan to any party during the year.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in case of loans of ₹ 4.47 crore given to Digilife Distribution and Marketing Services Limited and ₹ 49.95 crore given to HCL Learning Limited, the schedule for repayment of principal and payment of interest have not been stipulated and accordingly we are unable to comment on the amount overdue for more than ninety days. Also refer to comments in sub clause 3 (iii) (c) above. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Also, refer to our comments in sub clause 3 (iii) (c) and (d) above.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans or advances in the nature of loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

₹ in crore

	All Parties	Promoters	Related Parties*
Aggregate of loans/advances in nature of loan			
- Repayable on demand (A)	-	-	-
- Agreement does not specify any terms or period of Repayment (B)**	54.42	-	54.42
Total (A+B)	54.42	-	54.42
Percentage of loans/advances in nature of loan to the total loans	100%	0%	100%

*Given to wholly owned subsidiaries

** Also refer to comment in sub clause 3 (iii) (c) above.

HCL INFOSYSTEMS

- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with to the extent applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues, (the Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST) have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as on 31 March 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of Statute	Nature of dues	Amount of demand (₹ in crores)	Amount of deposit (₹ in crores)	Period to which it relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise	0.49	0.02	2006-07 to 2008-09, 2010-11	Commissioner Appeals
Central Excise Act, 1944	Excise	0.21	0.02	2002-03, 2012-13	High Court-Chennai
Customs Act, 1962	Customs	0.02	-	2008-09	Commissioner (Appeals), Mumbai
Customs Tariff Act, 1975	Customs	40.47	5	2005-2009	CESTAT, Delhi
Finance Act, 1994	Service Tax	351.86	13.25	2006-2009, 2010-2015	CESTAT- Allahabad
Finance Act, 1994	Service Tax	70.94	5	2003-06, 2010-11 to 2013-14	High Court- Allahabad
Central Sales Tax, 1956	CST	0.01	0.00	2006-07	Deputy Commissioner (Appeals) of Sales Tax Kochi
Central Sales Tax, 1956	CST	0.01	0.01	2016-17	Add. Commissioner, GR 2 Appeal, Noida
Central Sales Tax, 1956	CST	1.00	0.21	2007-08, 2008-09, 2012-13, 2013-14	Additional Commissioner (Appeals) of Commercial Tax Noida
Central Sales Tax, 1956	CST	0.07	0.00	2011-12	Additional Commissioner (Appeals) of Sales Tax Kolkata
Central Sales Tax, 1956	CST	0.02	0.01	2009-10	Assessing Officer
Central Sales Tax, 1956	CST	0.00	0.00	2004-05	Assessing Officer, Commercial Tax, Noida
Central Sales Tax, 1956	CST	0.05	0.00	2015-16, 2016-17	Assistant VAT Officer, Delhi
Central Sales Tax, 1956	CST	0.66	0.00	2006-07, 2008-09	Board of Sales Tax Kolkata
Central Sales Tax, 1956	CST	0.06	0.00	2004-05	Commercial Tax Officer Chennai

Name of Statute	Nature of dues	Amount of demand (₹ in crores)	Amount of deposit (₹ in crores)	Period to which it relates	Forum where the dispute is pending
Central Sales Tax,1956	CST	0.00	0.01	2013-14, 2014-15	Commercial Tax Officer, Jaipur, Rajasthan
Central Sales Tax,1956	CST	0.00	0.00	2015-16	Commercial Tax Officer, Telangana
Central Sales Tax,1956	CST	0.07	0.00	2017-18	Department of Trade & Taxes, Delhi
Central Sales Tax,1956	CST	0.18	0.19	2013-14	Department of Trade & Taxes, Delhi
Central Sales Tax,1956	CST	1.36	0.27	2012-13	Department of Trade & Taxes, Delhi
Central Sales Tax,1956	CST	0.11	0.32	2013-14, 2015-16	Deputy Commissioner (Appeals) of Sales Tax Chennai
Central Sales Tax,1956	CST	5.08	0.50	2009-10, 2010-11 2011-12	Deputy Commissioner (Appeals) of Sales Tax Delhi
Central Sales Tax,1956	CST	0.05	0.01	2012-14	Deputy Commissioner Appeal (Bhubaneswar)
Central Sales Tax,1956	CST	0.72	0.22	2012-13, 2013-14	Deputy Commissioner of Commercial Tax
Central Sales Tax,1956	CST	2.23	0.89	2010-11, 2011-12, 2013-14	Deputy. Commissioner Commercial Tax Dehradun
Central Sales Tax,1956	CST	0.14	0.10	2013-14	Deputy Commissioner, Noida
Central Sales Tax,1956	CST	0.00	0.00	2015-16, 2016-17	Deputy Commissioner, Commercial Tax, Kochi
Central Sales Tax,1956	CST	1.48	0.01	2010-11, 2011-12, 2014-15, 2015-16	Excise and Taxation Officer, Haryana
Central Sales Tax,1956	CST	0.07	0.01	2015-16	Gujarat Value Added Tax Tribunal
Central Sales Tax,1956	CST	0.19	0.11	2011-12, 2013-14, 2014-15	Joint Commissioner (Appeals)
Central Sales Tax,1956	CST	0.01	0.58	2006-07, 2007-08	Joint Commissioner, Commercial Taxes
Central Sales Tax,1956	CST	0.28	0.00	2009-10	Joint Commissioner, Commercial Taxes, Noida
Central Sales Tax,1956	CST	0.02	0.25	2006-07	The Commercial Tax Tribunal, Noida, Uttar Pradesh
Central Sales Tax,1956	CST	0.00	0.00	2013-14	Commercial Tax Officer
Central Sales Tax,1956	CST	0.00	0.00	2015-16	Sales Tax Officer Delhi
Central Sales Tax,1956	CST	0.45	0.35	2005-06	Sales Tax Tribunal, Mumbai
Central Sales Tax,1956	CST	0.10	0.00	2013-14	Special Commissioner (Appeals) of Sales Tax, Delhi
Central Sales Tax,1956	CST	0.05	0.03	2014-15	Additional Commissioner (Appeals) of Commercial Tax, Noida
Central Sales Tax,1956	CST	0.01	0.00	2015-16	Additional Commissioner (Appeals) of Commercial Tax, Noida
Central Sales Tax,1956	CST	0.17	0.05	2013-14	The Deputy Commissioner (Appeals), SGST Department, Kerala

Name of Statute	Nature of dues	Amount of demand (₹ in crores)	Amount of deposit (₹ in crores)	Period to which it relates	Forum where the dispute is pending
Central Sales Tax, 1956	CST	0.02	0.00	2013-14	The Deputy Commissioner of Sales Tax (Appeals), Guwahati, Assam
Central Sales Tax, 1956	CST	0.33	0.11	2011-12	The Commercial Tax Tribunal, Noida, Uttar Pradesh
Central Sales Tax, 1956	CST	0.57	0.28	2010-11	The Commercial Tax Tribunal, Noida, Uttar Pradesh
Central Sales Tax, 1956	CST	0.53	0.20	2002-03, 2003-04, 2005-06	The Commercial Tax Tribunal, Noida, Uttar Pradesh.
Central Sales Tax, 1956	CST	0.26	0.12	2005-06, 2007-08	Tribunal of Sales Tax, Delhi
Central Sales Tax, 1956	CST	0.06	0.03	2001-02, 2003-04	Tribunal of Sales Tax, Kochi
Central Sales Tax, 1956	CST	0.05	0.00	2016-17	Additional Commissioner (Appeals) of Commercial Tax, Noida
Entry Tax Act	Entry Tax	0.09	0.03	2008-09, 2009-10	Additional Commissioner (Appeals) of Commercial Tax Noida
Entry Tax Act	Entry Tax	0.18	0.05	2008-11	Assessing Office, Bhubaneswar
Entry Tax Act	Entry Tax	0.46	0.08	2012-13	Commissioner of Sales Tax (Bhubaneswar)
Entry Tax Act	Entry Tax	0.01	0.00	2014-15	Commercial Tax Officer, Raipur
Entry Tax Act	Entry Tax	0.02	0.00	2014-15	Deputy Commissioner Appeal (Bhubaneswar)
Entry Tax Act	Entry Tax	0.12	0.01	2012-14	Hon'ble High Court of Orrisa
Entry Tax Act	Entry Tax	0.05	0.00	2013-14	Hon'ble Sales Tax Tribunal
Entry Tax Act	Entry Tax	0.24	0.16	2011-12, 2012-13, 2013-14	Joint Commissioner Appeal
Entry Tax Act	Entry Tax	0.04	0.06	2010-11	Rajasthan Tax Board, Ajmer
Entry Tax Act	Entry Tax	0.04	0.04	2011-12, 2014-15	Rajasthan Tax Board, Ajmer
Goods & Service Tax, 2017	SGST	0.12	0.01	2017-18	Assistant Commissioner, Sales Tax
Goods & Service Tax, 2017	SGST	0.02	0.00	2017-18	Deputy Commissioner Ranchi
Sales Tax/value Added Tax under Various States	Sales Tax	0.31	0.09	2006-07	Deputy Commissioner (Appeals) of Sales Tax Kochi
Sales Tax/value Added Tax under Various States	Sales Tax	0.00	0.00	2016-17	Assessing Authority of Sales Tax, Solan
Sales Tax/value Added Tax under Various States	Sales Tax	0.20	0.10	2016-17	Add. Commissioner (Appeals), Noida
Sales Tax/value Added Tax under Various States	Sales Tax	0.00	0.00	2006-07	Additional Commissioner, Kolkata
Sales Tax/value Added Tax under Various States	Sales Tax	3.96	1.03	2007-08, 2008-09, 2012-13, 2013-14	Additional Commissioner (Appeals) of Commercial Tax Noida
Sales Tax/value Added Tax under Various States	Sales Tax	0.41	0.17	2014-15	Additional Commissioner-WB
Sales Tax/value Added Tax under Various States	Sales Tax	0.11	1.23	2012-13	Additional Commissioner (Appeals) of Commercial Tax Noida

Name of Statute	Nature of dues	Amount of demand (₹ in crores)	Amount of deposit (₹ in crores)	Period to which it relates	Forum where the dispute is pending
Sales Tax/value Added Tax under Various States	Sales Tax	0.02	0.00	2011-12	Additional Commissioner (Appeals) of Sales Tax Kolkata
Sales Tax/value Added Tax under Various States	Sales Tax	0.00	0.00	2016-17	Assessing Officer.
Sales Tax/value Added Tax under Various States	Sales Tax	0.02	0.02	2012-13	Assistant Commissioner of Sales Tax Shimla
Sales Tax/value Added Tax under Various States	Sales Tax	0.01	0.00	2014-15	Assistant Commissioner of Sales Tax, Gujarat
Sales Tax/value Added Tax under Various States	Sales Tax	0.01	0.06	2012-13, 2013-14, 2016-17	Assistant Commissioner of Sales Tax, Kochi
Sales Tax/value Added Tax under Various States	Sales Tax	6.66	0.18	2005-06, 2008-09, 2009-10	Board of Sales Tax Kolkata
Sales Tax/value Added Tax under Various States	Sales Tax	0.16	0.05	2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2013-14	Commercial Tax Officer
Sales Tax/value Added Tax under Various States	Sales Tax	0.42	0.24	2004-05, 2009-10, 2011-12	Commercial Tax Officer Chennai
Sales Tax/value Added Tax under Various States	Sales Tax	0.20	0.20	2009-10, 2011-12, 2012-13	Commercial Tax Officer, Anti Evasion, Jaipur, Rajasthan
Sales Tax/value Added Tax under Various States	Sales Tax	1.26	0.09	2013-14, 2015-16	Commercial Tax Officer, Jaipur, Rajasthan
Sales Tax/value Added Tax under Various States	Sales Tax	0.37	2.49	2014-15	Commissioner Appeals.
Sales Tax/value Added Tax under Various States	Sales Tax	4.76	0.00	2017-18	DC, Sector -8 Noida
Sales Tax/value Added Tax under Various States	Sales Tax	0.75	0.44	2008-09	Deputy Commissioners (Appeals), Bangalore
Sales Tax/value Added Tax under Various States	Sales Tax	5.99	0.51	2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14	Deputy Commissioner (Appeals) of Sales Tax Delhi
Sales Tax/value Added Tax under Various States	Sales Tax	1.54	0.05	2012-14, Apr 14 - Sep 15	Deputy Commissioner Appeal (Bhubaneswar)
Sales Tax/value Added Tax under Various States	Sales Tax	1.75	0.02	2007-08, 2008-09	Deputy Commissioner Appeals Jammu
Sales Tax/value Added Tax under Various States	Sales Tax	0.73	0.22	2012-13, 2013-14	Deputy Commissioner of Commercial Tax
Sales Tax/value Added Tax under Various States	Sales Tax	0.25	0.00	2013-14	Deputy Commissioner Ranchi
Sales Tax/value Added Tax under Various States	Sales Tax	7.39	0.55	2010-11	Deputy Excise and Taxation Commissioner, Chandigarh
Sales Tax/value Added Tax under Various States	Sales Tax	6.31	0.00	2016-17	Deputy Commissioner of Sales Tax, Kerala
Sales Tax/value Added Tax under Various States	Sales Tax	2.62	0.18	2015-16	Deputy Commissioner of Sales Tax
Sales Tax/value Added Tax under Various States	Sales Tax	3.85	0.24	2016-17, 2017-18	Deputy Commissioner of Sales Tax, Mumbai.
Sales Tax/value Added Tax under Various States	Sales Tax	0.07	0.00	2004-05	Deputy Commissioner of Sales Tax, Hyderabad

Name of Statute	Nature of dues	Amount of demand (₹ in crores)	Amount of deposit (₹ in crores)	Period to which it relates	Forum where the dispute is pending
Sales Tax/value Added Tax under Various States	Sales Tax	0.01	0.01	2013-14	Deputy Commissioner, Commercial Tax, Noida
Sales Tax/value Added Tax under Various States	Sales Tax	0.04	0.01	2015-16	Deputy Commissioner, Commercial Tax, Dehradun
Sales Tax/value Added Tax under Various States	Sales Tax	0.94	0.00	2007-08	Deputy Commissioner of Taxes (Appeal -1), Jammu
Sales Tax/value Added Tax under Various States	Sales Tax	0.00	0.00	2015-16	Deputy Commissioner, Commercial Tax, Kochi
Sales Tax/value Added Tax under Various States	Sales Tax	1.02	0.00	2014-15	Excise and Taxation Officer, Haryana
Sales Tax/value Added Tax under Various States	Sales Tax	1.22	0.31	2012-13, 2013-14	Excise and Taxation Officer, Mohali
Sales Tax/value Added Tax under Various States	Sales Tax	1.28	0.00	2014-15	First Appellate Authority, Rajasthan
Sales Tax/value Added Tax under Various States	Sales Tax	1.56	0.38	2014-15, 2015-16	Gujarat Value Added Tax Tribunal
Sales Tax/value Added Tax under Various States	Sales Tax	0.02	0.07	2006-07	High Court Allahabad
Sales Tax/value Added Tax under Various States	Sales Tax	0.09	0.09	2008-09	High Court Jaipur
Sales Tax/value Added Tax under Various States	Sales Tax	0.00	0.00	2005-06, 2007-08	Hon'ble High court Allahabad
Sales Tax/value Added Tax under Various States	Sales Tax	0.04	0.00	2009-10	Hon'ble Sales Tax Tribunal
Sales Tax/value Added Tax under Various States	Sales Tax	0.00	0.00	2015-16	Intelligence Officer, Deptt of Com.Tax, Kerala
Sales Tax/value Added Tax under Various States	Sales Tax	0.04	0.00	2004-05	Joint Commissioner (Appeals) of Sales Tax Delhi
Sales Tax/value Added Tax under Various States	Sales Tax	5.84	0.75	2008-09, 2011-12 2012-13, 2013-14	Joint Commissioner (Appeals)
Sales Tax/value Added Tax under Various States	Sales Tax	0.14	0.03	2008-09, 2013-14	Joint Commissioner (Appeals)
Sales Tax/value Added Tax under Various States	Sales Tax	1.40	1.44	2014-15	Joint Commissioner Appeal Sales Tax
Sales Tax/value Added Tax under Various States	Sales Tax	0.00	0.71	2007-08, 2015-16	Joint Commissioner, Commercial Taxes
Sales Tax/value Added Tax under Various States	Sales Tax	0.09	0.00	2009-10	Joint Commissioner, Noida
Sales Tax/value Added Tax under Various States	Sales Tax	5.70	0.29	2016-17	Joint Commissioner of Sales Tax, Mumbai
Sales Tax/value Added Tax under Various States	Sales Tax	4.08	0.00	2015-16	Mumbai High Court.
Sales Tax/value Added Tax under Various States	Sales Tax	0.01	0.01	2005-06	Deputy Commissioner, Jammu
Sales Tax/value Added Tax under Various States	Sales Tax	2.85	0.13	2010-11, 2011-12	Additional Commissioner (Appeals) of Commercial Tax, Patna
Sales Tax/value Added Tax under Various States	Sales Tax	0.02	0.00	2009-10	Office of the Deputy Commissioner (Appeals),

Name of Statute	Nature of dues	Amount of demand (₹ in crores)	Amount of deposit (₹ in crores)	Period to which it relates	Forum where the dispute is pending
Sales Tax/value Added Tax under Various States	Sales Tax	15.63	53.64	2009-10, 2011-12, 2012-13	Rajasthan Tax Board, Jaipur
Sales Tax/value Added Tax under Various States	Sales Tax	0.01	0.01	2013-14	Special Commissioner (Appeals) of Sales Tax, Delhi
Sales Tax/value Added Tax under Various States	Sales Tax	0.00	0.01	2015-16	Senior Joint Commissioner of Revenue, Kolkata
Sales Tax/value Added Tax under Various States	Sales Tax	2.01	2.01	2009-10, 2010-11, 2011-12	Rajasthan Tax Board, Jaipur
Sales Tax/value Added Tax under Various States	Sales Tax	0.17	0.09	2015-16	Additional Commissioner (Appeals) of Commercial Tax, Noida
Sales Tax/value Added Tax under Various States	Sales Tax	0.34	0.16	2013-14, 2014-15	The Commercial Tax Tribunal, Noida, Uttar Pradesh
Sales Tax/value Added Tax under Various States	Sales Tax	2.26	0.89	2014-15, 2015-16	The Deputy Commissioner Appeals, SGST Department, Kerala
Sales Tax/value Added Tax under Various States	Sales Tax	0.01	0.00	2009-10	The Intelligence Office - Kerala
Sales Tax/value Added Tax under Various States	Sales Tax	5.95	0.28	2014-15	The Joint Commissioner of Sales Tax (Appeals), Mumbai.
Sales Tax/value Added Tax under Various States	Sales Tax	0.86	0.32	2010-11	Tribunal Commercial Tax, Noida
Sales Tax/value Added Tax under Various States	Sales Tax	0.01	0.04	2006-07	Tribunal Commercial Tax, Noida.
Sales Tax/value Added Tax under Various States	Sales Tax	0.66	0.41	2001-02, 2002-03, 2003-04, 2004-05	Tribunals of Sales Tax Kochi
Sales Tax/value Added Tax under Various States	Sales Tax	0.12	0.03	2007-08	Punjab VAT Tribunal, Chandigarh
Sales Tax/value Added Tax under Various States	Sales Tax	0.05	0.00	2016-17	Assistant VAT Officer, Delhi
Income tax Act, 1961	Income tax	10.75	-	2005-2006, 2006-07, 2011-12 and 2017-18	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income tax	19.95	-	2006-07 and 2013-14	Income tax Appellate tribunal

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has taken funds from following entities and persons on account of or to meet the obligations of its subsidiaries, associates or joint ventures (as defined under the Act) as per details below:

Nature of fund taken	Name of lender (May mention whether Bank/ NBFC/ Corporate etc)	Amount involved ₹ in Crore	Name of the relevant subsidiary, joint venture, associate	Relationship	Nature of transaction for which funds utilised	Remarks, if any
Short term loan (Unsecured)	HCL Corporation Pvt Ltd.	40	HCL Infotech Limited	Wholly owned subsidiary	Working capital requirements	Fund was taken for day-to-day operational requirement of HCL Infosystems Limited and its subsidiaries. Fund provided by HCL Infosystems Limited to HCL Infotech Limited fully repaid during the year.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) (a) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) is not applicable.
- (xvii) The Company has not incurred cash losses in the current financial year; however, company has incurred cash losses of ₹ 103.96 crore in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) We draw attention to note 57 of the standalone financial statements, which states that the Company has accumulated losses as at 31 March 2022 and its net worth is fully eroded as at that date. Further, the Company's current liabilities exceed its current assets as at 31 March 2022. On the basis of the above and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, the aforesaid events or conditions indicate that a material uncertainty exists as on the date of the audit report regarding whether the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. However, based upon the measures as set forth in the note 57 including necessary financial support from a significant promoter shareholder, the management and the Board of Directors of the Company have a reasonable expectation that the Company will be able to operate as a going concern in the near future.
- (xx) (a) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No. 116231W/ W-100024

Girish Arora

Partner

Place: New Delhi

Date: 14 September 2022

Membership No. 098652

UDIN: 22098652ASCMU5473