

Part I- Statement of Consolidated results for the quarter and six months ended December 31, 2015

Rs Lakhs

Particulars	Consolidated					
	Unaudited			Unaudited		Audited
	Three months ended			Six months ended		Year ended
	31.12.2015	30.09.2015	31.12.2014	31.12.2015	31.12.2014	30.06.2015
- Gross Sales / Income from Operations	114,658	147,060	145,052	261,718	313,320	619,489
- Less: Excise Duty	-	-	-	-	-	-
1a. Net Sales / Income from Operations	114,658	147,060	145,052	261,718	313,320	619,489
1b. Other Operating Income	-	-	157	-	157	2,894
2. Expenses	-	-	-	-	-	-
a) Cost of materials consumed	-	-	452	-	1,222	1,326
b) Purchases of Stock-in-trade	80,625	107,308	102,063	187,933	228,577	453,606
Changes in Inventories of finished goods, work-in-progress and stock-in-trade	737	747	5,024	1,484	11,733	16,925
d) Employee benefits expense	16,135	15,080	14,253	31,215	28,557	58,218
e) Exchange Differences Loss/ (Gain)	197	123	187	320	471	601
f) Depreciation and amortisation expense	1,117	1,091	1,270	2,208	2,605	5,190
g) Other Expenses	19,642	25,749	25,115	45,391	47,515	98,548
Total Expenses	118,453	150,098	148,364	268,551	320,680	634,414
Profit / (Loss) from Operations before Other Income, finance costs and exceptional items (1-2)	(3,795)	(3,038)	(3,155)	(6,833)	(7,203)	(12,031)
4. Other Income	1,459	1,440	1,526	2,899	2,986	6,057
Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	(2,336)	(1,598)	(1,629)	(3,934)	(4,217)	(5,974)
6 Finance costs	4,066	3,639	3,472	7,705	6,704	14,278
Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(6,402)	(5,237)	(5,101)	(11,639)	(10,921)	(20,251)
8. Exceptional Items loss/ (Gain)	-	(386)	(146)	(386)	(2,069)	(2,894)
9. Profit / (Loss) from ordinary activities before Tax (7-8)	(6,402)	(4,851)	(4,955)	(11,253)	(8,852)	(17,357)
10. Tax Expense/ (Credit)	169	73	127	242	756	1,110
11. Net Profit / (Loss) from ordinary activities after Tax (9-10)	(6,571)	(4,924)	(5,082)	(11,495)	(9,608)	(18,467)
12. Extraordinary items (net of tax expense)	-	-	-	-	-	-
13. Net Profit / (Loss) for the period (11-12)	(6,571)	(4,924)	(5,082)	(11,495)	(9,608)	(18,467)
14. Share of Profit / (Loss) of associates	-	-	-	-	-	-
15. Minority Interest	-	-	-	-	-	-
Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13+14+15)	(6,571)	(4,924)	(5,082)	(11,495)	(9,608)	(18,467)
17. Paid-up Equity Share Capital (Face value per share in Rs. 2/-)	4,458	4,458	4,458	4,458	4,458	4,458
18. Reserves excluding Revaluation Reserves as per Balance Sheet of the previous accounting year	-	-	-	-	-	121,292
19. Earnings per Share (EPS) (not annualised) Rs./share	-	-	-	-	-	-
a) EPS before extra ordinary items for the period	-	-	-	-	-	-
- Basic	(2.9)	(2.2)	(2.3)	(5.2)	(4.3)	(8.3)
- Diluted	(2.9)	(2.2)	(2.3)	(5.2)	(4.3)	(8.3)
b) EPS after extra ordinary items for the period	-	-	-	-	-	-
- Basic	(2.9)	(2.2)	(2.3)	(5.2)	(4.3)	(8.3)
- Diluted	(2.9)	(2.2)	(2.3)	(5.2)	(4.3)	(8.3)

Statement of Assets and Liabilities

Rs. Lakhs

Particulars	Consolidated	
	Unaudited as at	Audited as at
	31.12.2015	30.06.2015
A EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	4,458	4,458
Reserves and surplus	110,177	121,292
Sub-Total - Shareholders' funds	114,635	125,750
Non Current Liabilities		
Long term Borrowings	36,074	23,594
Deferred tax Liabilities	71	93
Other Long term Liabilities	1,779	2,010
Long term Provisions	1,576	1,447
Sub-Total - Non Current Liabilities	39,500	27,144
Current Liabilities		
Short-term borrowings	62,620	64,388
Trade payables	102,599	107,312
Other current liabilities	59,613	68,468
Short-term provisions	1,408	1,638
Sub-Total - Current Liabilities	226,240	241,806
Total - EQUITY AND LIABILITIES	380,375	394,700
B ASSETS		
Non-current assets		
Fixed Assets	22,297	23,308
Goodwill on consolidation	57,979	57,832
Deferred tax assets (net)	44	43
Long-term loans and advances	20,808	12,048
Other non-current assets	10,961	15,339
Sub-Total - Non Current assets	112,089	108,570
Current Assets		
Current investments	14,984	23,482
Inventories	23,617	25,474
Trade receivables	99,388	90,397
Cash and bank balances	15,921	13,441
Short-term loans and advances	24,487	21,873
Other current assets	89,889	111,463
Sub-Total - Current assets	268,286	286,130
Total Assets	380,375	394,700



Notes:

1 After recommendation by the Audit Committee, these results have been approved and taken on record by the Board of Directors at its meeting held on January 25, 2016. The results have been subjected to a limited review by the statutory auditors.

2 Exceptional items include:

Exceptional items include:

Particulars	Unaudited			Unaudited		Audited
	Three months ended			Six months ended		Year ended
	31.12.2015	30.09.2015	31.12.2014	31.12.2015	31.12.2014	30.06.2015
a. Inventory write off due to phasing out of a product line	-	-	-	-	460	460
b. Profit on sale of Subsidiary	-	-	-	-	1,963	1,963
c. Profit on sale of properties	-	386	146	386	566	1,391
Total (a-b-c) - (Gain) / Loss	-	(386)	(146)	(386)	(2,069)	(2,894)

3 The standalone financial results for the relevant periods are as follows

Particulars	Unaudited			Unaudited		Audited
	Three months ended			Six months ended		Year ended
	31.12.2015	30.09.2015	31.12.2014	31.12.2015	31.12.2014	30.06.2015
Revenue	74,530	103,272	101,563	177,802	220,841	431,185
Profit/(Loss) after Finance cost but before exceptional items	847	1,127	1,089	1,974	3,130	7,313
Profit /(Loss) before Tax *	(699)	(2,287)	(6,066)	(2,986)	(3,405)	(6,621)
Profit /(Loss) after Tax	(749)	(2,361)	(6,147)	(3,110)	(3,594)	(7,089)

The standalone and consolidated financial results are also available at the company's website www.hclinfosystems.com and on the website of the stock exchanges www.bseindia.com and www.nseindia.com.

*Standalone Profit/(Loss) before Tax for quarter ended December 31, 2015, and quarter ended September 30, 2015 and quarter ended December 31, 2014 are net off provision for diminution in the value of investment in HCL Infotech Limited amounting to Rs.1546 lakhs, Rs. 3800 lakhs, and Rs.7300 lakhs respectively. However, this does not have any impact on the consolidated financial statements as this diminution is due to net loss incurred by HCL Infotech Limited, which is included in the consolidated results.

4 Consolidated Results include financial results of HCL Infosystems Limited (the parent company), its subsidiaries and one jointly controlled entity.

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

Segment-wise Information

Rs Lakhs

Particulars		Consolidated					
		Unaudited			Unaudited		Audited
		Three months ended			Six months ended		Year ended
		31.12.2015	30.09.2015	31.12.2014	31.12.2015	31.12.2014	30.06.2015
1.	Segment Revenue						
	-Hardware Products and Solutions (Gross)	13,966	16,429	20,247	30,395	49,580	95,757
	Less: Excise Duty	-	-	-	-	-	-
	- Hardware Products and Solutions (Net)	13,966	16,429	20,247	30,395	49,580	95,757
	- Services	25,896	25,464	23,036	51,360	44,161	94,855
	- Distribution	78,078	106,392	102,799	184,470	225,284	437,350
	- Learning	482	695	749	1,177	2,008	3,306
	Total	118,422	148,980	146,831	267,402	321,033	631,268
	Less : Intersegment revenue	3,764	1,920	1,779	5,684	7,713	11,779
	Net Sales / Income from Operations	114,658	147,060	145,052	261,718	313,320	619,489
2	Segment Results (Profit / (Loss) before Tax and Interest from each segment)						
	- Hardware Products and Solutions	(1,005)	(1,062)	(2,392)	(2,067)	(7,180)	(10,523)
	- Services	(835)	(232)	(429)	(1,067)	(551)	(1,015)
	- Distribution	1,012	587	1,682	1,599	3,729	7,435
	- Learning	(713)	(748)	(837)	(1,461)	(1,754)	(2,934)
	Total	(1,541)	(1,455)	(1,976)	(2,996)	(5,756)	(7,037)
	Less :						
	i) Interest Expense	4,066	3,639	3,472	7,705	6,704	14,278
	ii) Other un-allocable expenditure net off un-allocable (income)	795	(243)	(493)	552	(3,608)	(3,958)
	Total Profit / (Loss) before Tax	(6,402)	(4,851)	(4,955)	(11,253)	(8,852)	(17,357)
3.	Capital Employed (Segment Assets - Segment Liabilities)						
	- Hardware Products and Solutions	94,735	89,541	90,340	94,735	90,340	92,959
	- Services	23,682	22,956	26,267	23,682	26,267	21,931
	- Distribution	4,764	3,541	(7,166)	4,764	(7,166)	3,943
	- Learning	2,371	2,014	1,520	2,371	1,520	1,635
	Unallocated	-	-	-	-	-	-
	- Liquid Assets	16,207	22,321	26,579	16,207	26,579	26,967
	- Others unallocated	102,970	105,824	106,912	102,970	106,912	103,575
	Total Capital Employed	244,729	246,197	244,452	244,729	244,452	251,010

By order of the Board
for HCL Infosystems Limited

Premkumar

Premkumar Seshadri
Executive Vice-Chairman & Managing Director

Place : Noida
Date : January 25, 2016



Price Waterhouse

Chartered Accountants

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

1. We have reviewed the statement of unaudited consolidated financial results (the "Statement") of HCL Infosystems Limited (the "Company"), its subsidiaries and jointly controlled entity (hereinafter referred to as the "Group") [(refer Note 4 on the Statement)] for the quarter ended December 31, 2015 including the unaudited consolidated statement of assets and liabilities as on that date. The Statement has been prepared by the Company's Management pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's Management and has been approved by its Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of group personnel and analytical procedures applied to group's financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants



Avijit Mukerji
Partner
Membership Number: 056155

Place: Noida
Date: January 25, 2016

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