

Limited Review Report**Review Report to
The Board of Directors
HCL Technologies Limited**

1. We have reviewed the accompanying statement of unaudited financial results of HCL Technologies Limited ('the Company') for the quarter ended December 31, 2013 (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the 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 Engagements (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. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13 September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & CO. LLP**ICAI Firm registration number: 301003E**

Chartered Accountants

**Per Tridibes Basu**

Partner

Membership No.: 17401

Gurgaon, India

January 16, 2014



HCL Technologies Limited
REGISTERED OFFICE: 806, SIDDHARTH, 96 NEHRU PLACE, NEW DELHI, 110 019
CORPORATE OFFICE: A-10 & 11, SECTOR 3, NOIDA, U.P., INDIA

Following are the statement of financial results of HCL Technologies Limited as a standalone entity as per Indian GAAP:

(₹ in lacs)

Particulars	Three months ended (Unaudited)			Half year ended (Unaudited)		Previous year ended 30 June
	31 December 2013	30 September 2013	31 December 2012	31 December 2013	31 December 2012	2013 (Audited)
Revenues from operations	383,621	384,381	276,622	768,002	546,294	1,251,782
Total income from operations	383,621	384,381	276,622	768,002	546,294	1,251,782
Expenses						
Cost of materials	6,959	5,023	4,742	11,982	8,171	25,949
Employee benefits expense	126,107	128,678	109,606	254,785	220,946	462,861
Outsourcing cost	47,799	35,910	20,648	83,709	41,194	102,213
Travel and conveyance	17,201	15,647	11,861	32,848	24,945	61,935
Exchange (gain)/loss	(676)	405	(4,301)	(271)	(4,466)	(6,033)
Depreciation and amortization expense	12,011	12,431	10,384	24,442	20,440	44,191
Other expenses	29,983	36,416	31,463	66,399	58,365	139,751
Total expenses	239,384	234,510	184,403	473,894	369,595	830,867
Profit from operations before other income, finance costs and exceptional items	144,237	149,871	92,219	294,108	176,699	420,915
Other income	13,965	11,427	3,992	25,392	8,362	31,851
Profit from ordinary activities before finance costs and exceptional items	158,202	161,298	96,211	319,500	185,061	452,766
Finance costs	2,154	1,847	1,966	4,001	4,250	7,646
Profit from ordinary activities after finance costs but before exceptional items	156,048	159,451	94,245	315,499	180,811	445,120
Exceptional items	-	-	-	-	-	9,354
Profit from ordinary activities before tax	156,048	159,451	94,245	315,499	180,811	454,474
Tax expenses	26,261	30,354	21,773	56,615	38,355	84,002
Net profit from ordinary activities after tax	129,787	129,097	72,472	258,884	142,456	370,472
Extraordinary items (net of tax expense ₹ Nil)	-	-	-	-	-	-
Net profit for the period	129,787	129,097	72,472	258,884	142,456	370,472
Paid up equity share capital (Par Value ₹ 2 each)	13,977	13,956	13,891	13,977	13,891	13,937
Reserves and surplus	1,215,835	1,093,527	785,069	1,215,835	785,069	1,009,336
Weighted average no. of shares outstanding (par value ₹ 2 each)						
Basic	698,489,070	697,142,898	694,273,119	697,815,984	693,921,716	694,783,323
Diluted	707,836,547	708,464,295	708,070,168	708,284,528	707,837,743	706,284,627
Earnings per equity share (before extraordinary items) (₹) (not annualised)						
Basic	18.58	18.52	10.44	37.10	20.53	53.32
Diluted	18.34	18.22	10.24	36.55	20.13	52.45
Earnings per equity share (after extraordinary items) (₹) (not annualised)						
Basic	18.58	18.52	10.44	37.10	20.53	53.32
Diluted	18.34	18.22	10.24	36.55	20.13	52.45
Debt service coverage ratio (no. of times) (Refer note 2 (a) below)	N.A.	N.A	N.A	122.92	5.03	11.60
Interest service coverage ratio (no. of times) (Refer note 2 (b) below)	N.A.	N.A	N.A	129.12	63.44	86.15
Dividend per share (par value ₹ 2 each) ₹						
Interim dividend	4.00	2.00	2.00	6.00	4.00	6.00
Final dividend	-	-	-	-	-	6.00
Total dividend	4.00	2.00	2.00	6.00	4.00	12.00
Particulars of shareholding						
Public shareholding						
Number of shares	267,320,261	266,281,185	263,039,151	267,320,261	263,039,151	265,355,573
Percentage of shareholding	38.25%	38.16%	37.87%	38.25%	37.87%	38.08%
Promoters and promoter group shareholding						
a) Pledged/encumbered						
- Number of shares	-	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
b) Non-encumbered						
- Number of shares	431,505,004	431,514,284	431,522,669	431,505,004	431,522,669	431,514,284
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	61.75%	61.84%	62.13%	61.75%	62.13%	61.92%



Notes :

- 1 The financial results for the quarter ended 31 December 2013 were approved by the Audit Committee and have been approved and taken on record by the Board of Directors at its meeting held on 16 January 2014.
- 2 Ratios have been computed as under:-
 (a) Debt service coverage ratio = (Profit from ordinary activities before tax + interest on long-term loans) / (interest on long-term loans + repayment of long-term loans)
 (b) Interest service coverage ratio = (Profit from ordinary activities before tax + interest on long-term loans) / interest on long-term loans
- 3 During the quarter ended 31 December 2013, the Board of Directors has declared an interim dividend of ₹ 4 per share (200% on par value of ₹ 2 per share), amounting to ₹ 27,953 Lacs, which takes total dividend for the six month ended 31 December 2013 to ₹ 41,919 Lacs.

4 Investor complaints:-

Particulars	Quarter ended 31 December 2013
Pending at the beginning of the quarter	Nil
Received during the quarter	2
Resolved during the quarter	2
Remaining unresolved at the end of the quarter	Nil

5 Statement of assets and liabilities

		(₹ in Lacs)	
Particulars		As at current half year ended 31 December 2013 (Unaudited)	As at previous year ended 30 June 2013 (Audited)
A Equity and Liabilities			
1 Shareholders funds			
(a) Share capital		13,977	13,937
(b) Reserves and surplus		1,215,835	1,009,336
Sub- total- Shareholders funds		1,229,812	1,023,273
2 Share application money pending allotment		178	501
3 Non- current liabilities			
(a) Long-term borrowings		3,288	53,266
(b) Other long-term liabilities		61,006	43,692
(c) Long-term provisions		16,779	16,598
Sub- total- Non-current liabilities		81,073	113,556
4 Current liabilities			
(a) Short-term borrowings		-	8,248
(b) Trade payables		41,165	33,329
(c) Other current liabilities		389,969	297,845
(d) Short-term provisions		103,922	119,181
Sub- total- Current liabilities		535,056	458,603
Total- Equity and Liabilities		1,846,119	1,595,933
B Assets			
1 Non-current assets			
(a) Fixed assets		264,030	244,237
(b) Non-current investments		360,972	360,972
(c) Deferred tax assets (net)		36,980	37,669
(d) Long-term loans and advances		82,411	76,409
(e) Other non-current assets		12,842	13,270
Sub- total- Non-current assets		757,235	732,557
2 Current assets			
(a) Current investments		82,488	44,598
(b) Inventories		6,517	8,184
(c) Trade receivables		255,142	270,921
(d) Cash and bank balances		495,100	280,883
(e) Short-term loans and advances		123,338	151,151
(f) Other current assets		126,299	107,639
Sub- total- Current assets		1,088,884	863,376
Total- Assets		1,846,119	1,595,933



6 Segment Information:-

(₹ in Lacs)

Particulars	Three months ended (Unaudited)			Half year ended (Unaudited)		Previous year ended 30 June
	31 December 2013	30 September 2013	31 December 2012	31 December 2013	31 December 2012	2013 (Audited)
Segment Revenues						
Software services	235,852	243,470	196,520	479,322	389,872	826,923
Business process outsourcing services	17,053	17,950	16,307	35,003	32,735	69,962
Infrastructure services	130,716	122,961	63,795	253,677	123,687	354,897
Total	383,621	384,381	276,622	768,002	546,294	1,251,782
Less : Inter-segment revenue	-	-	-	-	-	-
Net revenue from operations	383,621	384,381	276,622	768,002	546,294	1,251,782
Segment Results						
Software services	94,137	103,096	65,112	197,233	128,489	279,016
Business process outsourcing services	1,142	2,802	3,765	3,944	7,760	17,145
Infrastructure services	49,565	46,113	24,260	95,678	45,965	123,403
Total	144,844	152,011	93,137	296,855	182,214	419,654
Less :						
Finance cost	2,154	1,847	1,965	4,001	4,249	7,646
Other un-allocable expenditure / (income), net	(13,358)	(9,287)	(3,073)	(22,645)	(2,846)	(33,202)
Net profit before tax	156,048	159,451	94,245	315,499	180,811	445,120
Segment capital employed						
Software services	202,229	223,898	201,356	202,229	201,356	229,545
Business process outsourcing services	22,775	26,057	15,263	22,775	15,263	27,038
Infrastructure services	17,993	69,836	68,007	17,993	68,007	91,293
Segment total capital employed	242,997	319,791	284,626	242,997	284,626	347,876
Other un-allocated assets	986,993	788,374	514,613	986,993	514,613	675,898
Total	1,229,990	1,108,165	799,239	1,229,990	799,239	1,023,774

- 7 During the quarter ended 30 June 2013, in accordance with the terms of a Scheme of arrangement under Sections 391 to 394 of the Companies Act, 1956, approved by the Hon'ble High Court of Delhi vide its order dated 12 April 2013, the IT enabled services division of HCL Comnet Systems & Services Limited, a subsidiary, has been demerged and transferred to the Company on going concern basis with effect from 1 April 2012, the appointed date.

In view of the above, the results of the operations of the transferred division for the period 1 July 2012 to 30 June 2013 have been included in the statement of financial results and the segment results of Infrastructure services segment for the quarter and previous year ended 30 June 2013. However, the net profit of the transferred division for the period 1 April 2012 to 30 June 2012 of ₹ 13,552 lacs net of tax ₹ 9,354 lacs have been reflected in the Statement of financial results of the Company for the previous year ended 30 June 2013 under the head "Exceptional item" and are not included in segment results.

Accordingly, the results for the three months and half year ended 31 December 2013 are not comparable with the results for the corresponding period of the previous year.

- 8 The figures of previous periods/year have been rearranged to conform to current period classification.

By the order of the Board of Directors
for HCL Technologies Limited

Shiv Nadar
Chairman and Chief Strategy Officer

Anant Gupta
President and Chief Executive Officer

Noida (UP), India
16 January 2014

Anil Chanana
Chief Financial Officer

The Board has also taken on record the Consolidated results of HCL Technologies Limited and its subsidiaries for the quarter ended December 31, (in million \$)

Particulars	Quarter ended 31 December		Six months ended December 31	
	2013	2012	2013	2012
Revenues	1,321.3	1,154.3	2,591.6	2,268.1
Cost of revenues (exclusive of depreciation and amortization)	813.5	741.0	1,588.8	1,462.7
Gross profits	507.8	413.3	1,002.8	805.4
Selling, general and administrative expenses	164.5	156.7	325.7	305.8
EBITDA	343.3	256.6	677.1	499.6
Depreciation and Amortization	29.9	31.7	61.5	62.6
Other income (expenses), net	(7.5)	2.8	(26.9)	(1.8)
Provision for income taxes	64.2	53.9	121.4	103.3
Net (income) loss attributable to noncontrolling interest	(0.0)	0.0	0.0	0.0
Net income attributable to HCL Technologies Limited shareholders	241.6	173.8	467.3	331.9
Earnings per equity share (in US \$)				
Basic	0.35	0.25	0.67	0.48
Diluted	0.34	0.25	0.66	0.47

Note

- 1 The figures of the previous period have been rearranged to conform to the current period classification.

