

Directors' Report

**To the Shareholders,
HCL Infocom Limited**

Your Directors have pleasure in presenting their Fifth Annual Report together with the Audited Accounts for the financial year ended 30th June, 2013.

Financial Highlights

The financial details are as under:

Particulars	(₹ in Lacs)	
	Year ended 30 th June, 2013	Year ended 30 th June, 2012
Net Sales and other income	NIL	NIL
Profit / (Loss) before Interest, Depreciation and Tax	(1.35)	(1.31)
Finance Charges	Nil	Nil
Depreciation	Nil	Nil
(Loss) before Tax	(1.35)	(1.31)
Provision for Taxation: Current	Nil	Nil
: Fringe Benefit	Nil	Nil
Net (Loss) after Tax	(1.35)	(1.31)

Your Company has made a Loss after tax of ₹ 1.35 Lacs in the year ended 30th June, 2013 as against a loss of ₹ 1.31 Lacs for the year ended 30th June, 2012.

Business

Your Board of Directors had at its meeting held on 14th January, 2013, approved a Composite Scheme of Arrangement (the Scheme) under the provisions of Section 391 and 394 of the Companies Act, 1956. The Scheme inter-alia envisages merger of your Company with HCL Infosystems Limited, the Holding company. 1st January, 2013 has been fixed as the Appointed Date.

The Scheme is subject to requisite sanction of the Hon'ble High Court of Judicature at Delhi and other regulatory authorities. On the Scheme becoming effective, your Company shall stand dissolved without being wound up.

Public Deposit

The Company has not accepted any deposits from the public.

Directors

Mr. Harsh Chitale and Mr. J.V. Ramamurthy resigned from the position of Director of the Company w.e.f. 8th January, 2013. The Board places on record its appreciation for the contributions made by them during their tenure with the Company.

Mr. Rothin Bhattacharyya and Mr. Neeraj Jaitley were appointed as an Additional Director of the Company with effect from 4th January, 2013. Mr. Neeraj Jaitley also resigned from the position of Director of the Company w.e.f. 3rd July, 2013.

Mr. Sushil Kumar Jain was appointed as an Additional Director of the Company with effect from 25th July, 2013.

The Company has received notice from members of the Company, under section 257 of the Companies Act, 1956, proposing appointment of Mr. Rothin Bhattacharyya and Mr. Sushil Kumar Jain as Directors of the Company, along with the requisite deposit.

The office term of Mr. Bhattacharyya and Mr. Jain will be subject to retirement by rotation.

In accordance with the Articles of Association of the Company, Mr. Sandeep Kanwar, Director, is retiring by rotation and being eligible, has offered himself for re-appointment.

Directors' Responsibility Statement

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;
- b. appropriate accounting policies have been selected and applied consistently, and that the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 30th June, 2013 and of the loss of the Company for the said period;
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts have been prepared on a going concern basis.

Personnel

There is no employee in the Company whose particulars are required to be furnished under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

Additional information in relation to Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo

During the year under review, there are no particulars to be furnished in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo and export initiative.

Auditors and Auditors' Report

M/s Price Waterhouse, Chartered Accountants, the statutory auditors of the Company, retire at the forthcoming Annual General Meeting and are eligible for reappointment. The proposed re-appointment, if made will be in accordance with the limits prescribed under Section 224(1B) of the Companies Act, 1956.

The Notes to Accounts are self explanatory and therefore do not call for any further comments.

Acknowledgement

The Directors wish to place on record their appreciation for the continued co-operation the Company received from various departments of the Central and State Government and Bankers.

The Board also wishes to place on record its gratitude to the valued Customers, Members and business associates for their continued support and confidence reposed in the Company.

For and on Behalf of Board



**Sandeep Kanwar
Chairman**

Place : Noida
Date : 13th August, 2013

INDEPENDENT AUDITORS' REPORT

To the Members of HCL Infocom Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of HCL Infocom Limited (the "Company"), which comprise the Balance Sheet as at June 30, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of 'the Companies Act, 1956' of India (the "Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion


6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at June 30, 2013;
 - (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by section 227(3) of the Act, we report that:
- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
 - (e) On the basis of written representations received from the directors as on June 30, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on June 30, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants



Abhishek Rara
Partner
Membership Number 077779

Place: Gurgaon
Date: August 13, 2013

Annexure to Independent Auditors' Report

Referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of HCL Infocom Limited on the financial statements as of and for the year ended June 30, 2013

- i. The Company does not hold any fixed assets during the year ended June 30, 2013. Therefore, the provisions of Clause 4(i) of the Order are not applicable to the Company.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 4(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted/taken any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii)[(b),(c) and (d) / (f) and (g)] of the said Order are not applicable to the Company.
- iv. The Company has not made any purchase of inventory and fixed assets and sale of goods and services during the year, accordingly the Clause (iv) of the said Order is not applicable to the Company.
- v. According to the information and explanations given to us, there have been no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Act.
- vi. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- vii. As the Company is not listed on any stock exchange or the paid-up capital and reserves as at the commencement of the financial year did not exceed Rupees Fifty Lakhs or the average annual turnover for a period of three consecutive financial years immediately preceding the financial year did not exceed Rupees Five Crores, clause (vii) of paragraph 4 of the Order is not applicable.
- viii. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities.
(b) There are no dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, and excise duty which have not been deposited on account of any dispute.
- x. As the Company is registered for a period less than five years, the provisions of Clause 4(x) of the Order are not applicable to the Company.
- xi. As the Company does not have any borrowings from any financial institution or bank nor has it issued any debentures as at the balance sheet date, the provisions of Clause 4(xi) of the Order are not applicable to the Company.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.



Annexure to Independent Auditors' Report

Referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of HCL Infocom Limited on the financial statements for the year ended June 30, 2013

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- xiii. As the provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 4(xv) of the Order are not applicable to the Company.
- xvi. The Company has not raised any term loans. Accordingly, the provisions of Clause 4(xvi) of the Order are not applicable to the Company.
- xvii. The Company has not raised any loans on short term basis. Accordingly, the provisions of Clause 4(xvii) of the Order are not applicable to the Company.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
- xix. The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company.
- xx. The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants



Abhishek Rara
Partner
Membership Number 077779

Place: Gurgaon
Date: August 13, 2013

HCL Infocom Limited
Balance Sheet as at June 30, 2013

	Note	As at 30.06.2013 Rs.	As at 30.06.2012 Rs.
Equity and Liabilities:			
Shareholders' funds			
Share capital	2	4,795,000	3,300,000
Reserves and surplus	3	(1,460,493)	(1,325,479)
Current Liabilities			
Trade payables	4	640,146	507,132
Total equity and liabilities		3,974,653	2,481,653
Assets:			
Non Current Assets			
Non-current investments	5	3,950,000	2,450,000
Current Assets			
Cash and bank balances	6	24,653	31,653
Total Assets		3,974,653	2,481,653

Significant Accounting Policies

1

This is the Balance Sheet referred to in our report of even date


The notes referred to above form an integral part of the Balance Sheet

For Price Waterhouse
Firm Registration Number-301112E
Chartered Accountants

For and on behalf of the Board of Directors



ABHISHEK RARA
Partner
Membership Number: 077779



Sandeep Kanwar
Director



Roshin Bhattacharyya
Director

Place : Noida
Date : August 13 , 2013

HCL Infocom Limited
Statement of Profit and Loss for the year ended June 30, 2013

		Year ended 30.06.2013 Rs.	Year ended 30.06.2012 Rs.
	Note		
Revenue			
Revenue from operations		-	-
		-	-
Expenses			
Other expenses	7	135,014	130,623
		135,014	130,623
(Loss) before tax		(135,014)	(130,623)
Tax expense		-	-
(Loss) for the year		(135,014)	(130,623)
Loss per equity share (in Rs.)			
Basic and Diluted (of Rs. 10/- each)	13	(0.33)	(0.40)

Significant Accounting Policies

1

This is the Statement of Profit and Loss referred to in our report of even date

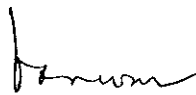
The notes referred to above form an integral part of the Statement of Profit and Loss

For Price Waterhouse
Firm Registration Number-301112E
Chartered Accountants

For and on behalf of the Board of Directors



Abhishek Rara
Partner
Membership Number: 077779



Sandeep Kanwar
Director



Rohin Bhattacharyya
Director

Place : Noida
Date : August 13, 2013

HCL Infocom Limited
Cash Flow Statement for the year ended June 30, 2013

	Year ended 30.06.2013 Rs.	Year ended 30.06.2012 Rs.
1 Cash flow from operating activities		
Loss before tax	(135,014)	(130,623)
Operating profit before working capital changes	(135,014)	(130,623)
Adjustments for changes in working capital		
Increase in current liabilities	133,014	130,623
Net Cash used in operating activities (A)	(2,000)	-
2 Cash flow from financing activities		
Increase in equity share capital	1,495,000	
Net Cash from financing activities (B)	1,495,000	
3 Cash flow from investing activities		
Increase in investments	(1,500,000)	-
Net Cash from investing activities (C)	(1,500,000)	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(7,000)	-
Opening Balance of cash and cash equivalents	31,653	31,653
Closing Balance of cash and cash equivalents	24,653	31,653
Cash and cash equivalents comprise of:		
Balance with bank	24,653	31,653


Notes:-

1. The above Cash Flow Statement has been prepared under the indirect method set out in Accounting standards-3 notified under Section 211 (3C) of the Companies Act, 1956
2. Figures in brackets indicate cash Outgo.

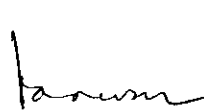
This is the Cash Flow Statement referred to
in our report of even date

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

For and on behalf of the Board of Directors



Abhishek Rara
Partner
Membership Number: 077779



Sandeep Kanwar
Director



Rohini Bhattacharyya
Director

Place: Noida
Date : August 13 , 2013

1. Significant Accounting Policies

a. Background

HCL Infocom Limited (hereinafter referred as "the Company") was incorporated on December 17, 2008 as a wholly owned subsidiary of HCL Infosystems Limited for the purposes of investing as promoters, shareholders, joint venture partner, associate, manager and owners in any firm, company or body corporate.

b. Basis of Preparation

The financial statements of the Company have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India and comply with the mandatory Accounting Standards notified under section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

c. Investments

Long-term investments are stated at cost of acquisition inclusive of expenditure incidental to acquisition. Any decline in the value of the said investments, other than a temporary decline, is recognised and charged to Statement of Profit and Loss.

d. Revenue Recognition

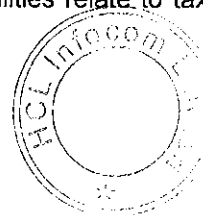
Dividend income is recognised when the right to receive dividend is established.

e. Current and Deferred Tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.



HCL Infocom Limited
Notes to the Financial Statements

Deferred tax in case of carry forward of losses under tax laws or unabsorbed depreciation is recognised to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised.

f. Provisions and Contingent Liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the amount of the obligation cannot be made.

g. Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include demand deposits with banks, other short-term highly liquid investments with original maturity of three months or less.



HCL Infocom Limited
Notes to the financial statements

	As at 30.06.2013 Rs.	As at 30.06.2012 Rs.
2. Capital		
Authorised:		
500,000 (2012-500,000) Equity Shares of Rs.10/-each	5,000,000	5,000,000
	<u>5,000,000</u>	<u>5,000,000</u>
Issued, Subscribed and Paid up:		
Opening: 330,000 Equity Shares of Rs. 10 each fully paid up	3,300,000	3,300,000
Add: 149,500 (2012-Nil) Equity shares of Rs. 10 each fully paid up issued to HCL Infosystems Limited)	1,495,000	-
479,500 (2012-330,000) Equity Shares of Rs.10 each fully paid up	<u>4,795,000</u>	<u>3,300,000</u>

(Wholly owned subsidiary of HCL Infosystems Limited by virtue of 479,494 (2012 : 329,994) Equity Shares held directly by HCL Infosystems Limited (Holding Company) and 6 Equity Shares (2012:6) held by the nominee shareholders of HCL Infosystems Limited).

Rights attached to Equity Shares

The company has one class of equity share having a face value of Rs. 10 each. Each holder of the equity shares is entitled to one vote per share.

In the event of the liquidation of the company, the holders of the equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders.

3. Reserves & Surplus

Debit in Statement of Profit and Loss

Balance as at the beginning of the year	(1,325,479)	(1,194,856)
Loss for the year	(135,014)	(130,623)
Balance as at the end of the year	<u>(1,460,493)</u>	<u>(1,325,479)</u>

4. Trade Payables

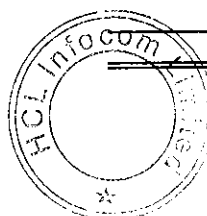
Payables (Other than Micro and Small Enterprises) (Refer Note 9)	640,146	507,132
	<u>640,146</u>	<u>507,132</u>

5. Non current Investments

Unquoted (Trade) : Long Term (at cost)		
490 (2012-490) Equity shares of Rs. 5000/- each of Nokia HCL Mobile Internet Services Limited.	2,450,000	2,450,000
50,000 (2012-Nil) Equity shares of Rs. 10 each of HCL System Integration Limited	500,000	-
50,000 (2012-Nil) Equity shares of Rs. 10 each of HCL Care Limited	500,000	-
50,000 (2012-Nil) Equity shares of Rs. 10 each of HCL Learning Limited	500,000	-
	<u>3,950,000</u>	<u>2,450,000</u>

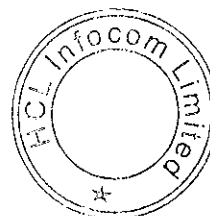
6. Cash and Bank Balances

Balance with Bank:		
Current Account	24,653	31,653
	<u>24,653</u>	<u>31,653</u>



HCL Infocom Limited
Notes to the financial statements

	Year ended 30.06.2013 Rs.	Year ended 30.06.2012 Rs.
7. Other Expenses		
Legal and Professional Charges (Refer Note 10)	129,214	129,603
Rates and Taxes	5,800	1,020
	135,014	130,623



HCL Infocom Limited
Notes to the Financial Statements

8. Contingent Liabilities:

Claims against the company not acknowledged as debts - Rs. Nil (2012 - Rs. Nil).

9. Based on the information available with the Company, no enterprise has been identified which is covered under the Micro, Small and Medium Enterprises Development Act, 2006.

10. Remuneration to Auditor*:

	30.06.2013 Rs.	30.06.2012 Rs.
Statutory Audit	100,000	100,000
Out-of-Pocket Expenses	10,000	10,000

* Excluding service tax

11. Disclosure of related parties and related party transactions:

Where control exists:

a. Holding Company

HCL Infosystems Limited
(Holds 100% Share capital of the Company directly and through nominee shareholders)

b. Joint Venture

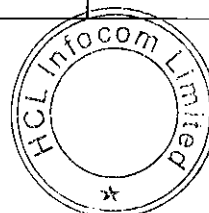
Nokia HCL Mobile Internet Services Limited
(Company holds 49% Equity Share Capital)

c. Subsidiaries

1. HCL System Integration Limited
2. HCL Care Limited
3. HCL Learning Limited

d. Summary of Related Party disclosures:

A. Transactions during the year	Holding Company		Joint Venture		Subsidiaries	
	30.06.13	30.06.12	30.06.13	30.06.12	30.06.13	30.06.12
Expense reimbursement	133,604	130,623	-	-		
Investments made in:						
- HCL Systems Integration Limited					5,000	-
Equity share capital issued	1,495,000	-				
Purchase of investments in:						
- HCL Systems Integration Limited	495,000	-				
- HCL Care Limited	500,000	-				
- HCL Learning Limited	500,000	-				



HCL Infocom Limited
Notes to the Financial Statements

B. Balance outstanding as at the year end	Holding Company		Joint Venture		Subsidiaries	
	30.06.13	30.06.12	30.06.13	30.06.12	30.06.13	30.06.12
Trade Payables	519,406	385,802	-	-		
Equity investment outstanding:						
- Nokia HCL Mobile Internet Services Limited			2,450,000	2,450,000		
- HCL Systems Integration Limited					500,000	-
- HCL Care Limited					500,000	-
- HCL Learning Limited					500,000	-
Equity share capital issued	4,795,000	3,300,000				

Note: All transactions with related parties have been entered into in the normal course of business.

12. The Company's business falls within a single primary business and geographical segment i.e. investing in companies or body corporate. Accordingly, pursuant to Accounting Standard-17 on 'Segment Reporting', notified under Section 211(3C) of the Companies Act, 1956, segment information is not required to be disclosed.

13. Earnings per share (EPS)

The earnings considered in ascertaining the Company's EPS represent (loss) for the year after tax. Basic EPS is computed and disclosed using the weighted average number of equity shares outstanding during the year. Diluted EPS is computed and disclosed using the weighted average number of equity and dilutive equivalent share outstanding during the year except when results would be anti-dilutive.

Calculation of EPS:

Particulars	30.06.2013	30.06.2012
Loss after tax (Rs.)	(135,014)	(130,623)
Weighted average number of shares considered as outstanding in computation of Basic and Diluted EPS	4,05,364	330,000
Loss per share - Basic and Diluted (of Rs. 10/- each)	(0.33)	(0.40)

14. Additional disclosure as per Clause 32 of the Listing Agreement of HCL Infosystems Limited, the Holding Company:

- No loans and advances in the nature of loans have been given during the year to any subsidiary, associate or firms/companies in which directors are interested.
- The Company had no employees during the year and hence there is no loan granted to them.



HCL Infocom Limited
Notes to the Financial Statements

15. Statement of interest in Joint Venture:

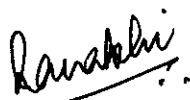
The details of Company's share in the joint venture assets, liabilities, income and expenditure as required by Accounting Standard-27 on 'Financial Reporting of Interests in Joint Ventures' is as indicated below:

Name of the Joint Venture Company	Country of Incorporation	Extent of holding as at (%)	
		30.06.2013	30.06.2012
Nokia HCL Mobile Internet Services Limited	India	49	49

Particulars	Amount (Rs.)	
	30.06.2013	30.06.2012
Cash and bank balances	32,32,945	4,309,379
Trade receivables	62,88,216	177,039
Other non-current assets	2,84,350	134,652
Other current assets	30,34,469	-
Trade payables	1,16,06,212	3,413,397
Other current liabilities	2,33,193	81,187
Accumulated losses	14,49,424	1,323,514
Revenue from operations	91,58,607	3,537,639
Cost of services	81,02,066	4,331,936
Finance costs	10,290	4,610
Other expenses	2,66,718	377,236

16. The Board of Directors of the Company had at its meeting held on January 14, 2013, approved a Composite Scheme of Arrangement (the Scheme) under the provisions of Section 391 and 394 of the Companies Act, 1956. The Scheme inter- alia envisages merger of the Company with its Holding company HCL Infosystems Limited. January 1, 2013 has been fixed as the Appointed Date. The Scheme is subject to requisite consent from Hon'ble High Court of Judicature at Delhi and other statutory or regulatory authorities.
17. Previous year's figures have been regrouped / reclassified, wherever necessary, to conform to the current year's presentation.

For Price Waterhouse
Firm Registration Number-301112E
Chartered Accountants

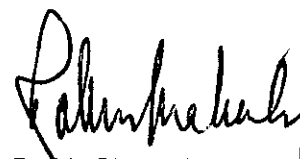


Abhishek Rara
Partner
Membership Number 077779

For and on behalf of the Board of Directors



Sandeep Kanwar
Director



Rohin Bhattacharyya
Director

Place : Noida
Dated : August 13, 2013