

**Part I- Statement of Consolidated results for the quarter and six months ended December 31, 2014**

Rs Lakhs

Particulars	Consolidated					
	Unaudited			Unaudited		Audited
	Three months ended			Six months ended		Year ended
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	30.06.2014
<b>- Gross Sales / Income from Operations</b>	145,052	168,268	193,758	313,320	412,155	785,244
- Less: Excise Duty	-	-	53	-	352	413
1a. Net Sales / Income from Operations	145,052	168,268	193,705	313,320	411,803	784,831
1b. Other Operating Income	157	-	4	157	115	1,057
<b>2. Expenses</b>						
a) Cost of materials consumed	452	770	8,474	1,222	23,259	40,146
b) Purchases of Stock-in-trade	102,701	127,151	141,719	229,852	324,578	603,103
c) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	5,024	6,709	5,819	11,733	(4,390)	5,332
d) Employee benefits expense	13,615	13,667	14,560	27,282	28,416	57,190
e) Exchange Differences Loss/ (Gain)	187	284	1,909	471	4,844	7,061
f) Depreciation and amortisation expense	1,270	1,335	1,310	2,605	2,681	5,250
g) Other Expenses	25,115	22,400	22,077	47,515	40,167	81,865
<b>Total Expenses</b>	148,364	172,316	195,868	320,680	419,555	799,947
<b>Profit / (Loss) from Operations before Other Income, finance costs and exceptional items(1-2)</b>	(3,155)	(4,048)	(2,159)	(7,203)	(7,637)	(14,059)
4. Other Income	1,526	1,460	2,208	2,986	4,980	9,644
<b>Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	(1,629)	(2,588)	49	(4,217)	(2,657)	(4,415)
6. Finance costs	3,472	3,232	4,115	6,704	8,258	15,604
<b>Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)</b>	(5,101)	(5,820)	(4,066)	(10,921)	(10,915)	(20,019)
8. Exceptional Items loss/ (Gain)	(146)	(1,923)	-	(2,069)	-	(1,437)
<b>9. Profit / (Loss) from ordinary activities before Tax (7-8)</b>	(4,955)	(3,897)	(4,066)	(8,852)	(10,915)	(18,582)
10. Tax Expense/ (Credit)	127	629	349	756	740	2,870
<b>11. Profit / (Loss) from ordinary activities after tax (9+10)</b>	(5,082)	(4,526)	(4,415)	(9,608)	(11,655)	(21,452)
12. Extraordinary items (net of tax expense)	-	-	-	-	-	-
<b>13. Net Profit / ( Loss) for the period (11-12)</b>	(5,082)	(4,526)	(4,415)	(9,608)	(11,655)	(21,452)
14. Share of Profit / (Loss) of associates	-	-	-	-	-	-
15. Minority Interest	-	-	-	-	-	-
<b>Net Profit / ( Loss) after taxes, minority interest and share of profit / (loss) of associates (13+14+15)</b>	(5,082)	(4,526)	(4,415)	(9,608)	(11,655)	(21,452)
17.)	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						139,847
19. Earnings per Share (EPS) (not annualised) Rs./share						
a) EPS before extra ordinary items for the period						
- Basic	(2.3)	(2.0)	(2.0)	(4.3)	(5.2)	(9.6)
- Diluted	(2.3)	(2.0)	(2.0)	(4.3)	(5.2)	(9.6)
b) EPS after extra ordinary items for the period						
- Basic	(2.3)	(2.0)	(2.0)	(4.3)	(5.2)	(9.6)
- Diluted	(2.3)	(2.0)	(2.0)	(4.3)	(5.2)	(9.6)

**Statement of Assets and Liabilities**

Rs. Lakhs

Particulars	Consolidated	
	Unaudited as at 31.12.2014	Audited as at 30.06.2014
<b>A EQUITY AND LIABILITIES</b>		
<b>Shareholders' funds</b>		
Share capital	4,458	4,458
Reserves and surplus	130,282	139,847
<b>Sub-Total - Shareholders' funds</b>	<b>134,740</b>	144,305
<b>Non Current Liabilities</b>		
Long term Borrowings	28,342	38,814
Deferred tax Liabilities	90	
Other Long term Liabilities	2,951	3,231
Long term Provisions	1,195	1,326
<b>Sub-Total - Non Current Liabilities</b>	<b>32,578</b>	43,371
<b>Current Liabilities</b>		
Short-term borrowings	40,390	29,386
Trade payables	114,380	143,579
Other current liabilities	73,178	87,412
Short-term provisions	2,794	3,049
<b>Sub-Total - Current Liabilities</b>	<b>230,742</b>	263,426
<b>Total - EQUITY AND LIABILITIES</b>	<b>398,060</b>	<b>451,102</b>
<b>B ASSETS</b>		
<b>Non-current assets</b>		
Fixed Assets	25,389	34,363
Goodwill on consolidation	57,757	57,665
Non-current investments	-	-
Deferred tax assets (net)	42	512
Long-term loans and advances	9,141	5,432
Trade receivables	-	-
Other non-current assets	20,737	24,240
<b>Sub-Total - Non Current assets</b>	<b>113,066</b>	122,212
<b>Current Assets</b>		
Current investments	23,325	17,478
Inventories	32,517	43,565
Trade receivables	73,145	86,468
Cash and bank balances	13,437	34,725
Short-term loans and advances	24,437	28,443
Other current assets	118,133	118,211
<b>Sub-Total - Current assets</b>	<b>284,994</b>	328,890
<b>Total Assets</b>	<b>398,060</b>	<b>451,102</b>

**Part II - Select information for the Quarter and six months ended December 31, 2014**

Rs Lakhs

Particulars	Consolidated					
	Unaudited			Unaudited		Audited
	Three months ended			Six months ended		Year ended
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	30.06.2014
<b>A) Particulars of Share holding</b>						
1. Public Shareholding						
- Number of Shares	93,511,785	93,501,785	93,844,683	93,511,785	93,844,683	93,501,785
- Percentage of Shareholding	41.95%	41.95%	42.11%	41.95%	42.11%	41.95%
2. Promoters and Promoter Group Shareholding						
a) Pledged / Encumbered						
- Number of shares	NIL	NIL	900	NIL	900	NIL
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	0.00%	NIL	0.00%	NIL
- Percentage of shares (as a % of the total share capital of the company)	NIL	NIL	0.00%	NIL	0.00%	NIL
b) Non - encumbered						
- Number of shares	129,377,844	129,377,844	129,034,046	129,377,844	129,034,046	129,377,844
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the company)	58.05%	58.05%	57.89%	58.05%	57.89%	58.05%

Particulars	Three months ended 31.12.2014
<b>B) INVESTOR COMPLAINTS</b>	
Pending at the beginning of the Quarter	1
Received during the Quarter	4
Disposed of during the Quarter	5
Remaining unresolved at the end of the Quarter	Nil

**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 22, 2015. The results have been subjected to a limited review by the statutory auditors. The consolidated results for the quarter and six months ended December 31, 2013 were not subjected to review by the statutory auditors, who reviewed the standalone results for this period.

2 Exceptional items include :

Particulars	Unaudited			Unaudited		Audited
	Three months ended			Six months ended		Year ended
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	30.06.2014
a. Inventory write off due to phasing out of a product line	-	460	-	460	-	1,350
b. Impairment of Goodwill	-	-	-	-	-	800
c. Profit on sale of Subsidiary	-	1,963	-	1,963	-	-
d. Profit on sale of properties	146	420	-	566	-	3,587
Total (a+b-c-d) - (Gain) / Loss	(146)	(1,923)	-	(2,069)	-	(1,437)

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

Particulars	Unaudited			Unaudited		Audited
	Three months ended			Six months ended		Year
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	30.06.2014
Revenue	101,563	119,278	143,811	220,841	303,458	572,954
Profit/(Loss) before Finance cost and exceptional items	3,450	4,205	2,120	7,655	4,498	7,662
Profit/(Loss) Before Tax*	(6,066)	2,661	363	(3,405)	1,090	(17,708)

\*Standalone Profit/(Loss) Before Tax for quarter/six months ended December 31, 2014 and year ended June 30, 2014 are net off provision for diminution in the value of investment in HCL Infotech Limited amounting to Rs.7,300 lakhs and Rs. 21,000 Lakhs respectively. However, this does not have any impact on the consolidated financial statements as the above mentioned diminution is due to net loss incurred by HCL Infotech Limited which is already included in the consolidated results.

Place : Noida  
Date : January 22, 2015

**Segment-wise Information**

Rs Lakhs

Particulars	Consolidated					
	Unaudited			Unaudited		Audited
	Three months ended			Six months ended		Year ended
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	30.06.2014
<b>1. Segment Revenue</b>						
- Hardware Products and Solutions (Gross)	20,247	29,333	40,227	49,580	99,683	200,415
Less: Excise Duty	-	-	53	-	352	413
- Hardware Products and Solutions (Net)	20,247	29,333	40,174	49,580	99,331	200,002
- Services	23,036	21,125	18,964	44,161	34,675	74,573
- Distribution	102,799	122,485	144,794	225,284	292,781	533,325
- Learning	749	1,259	1,098	2,008	2,349	6,658
Total	146,831	174,202	205,030	321,033	429,136	814,558
Less : Intersegment revenue	1,779	5,934	11,325	7,713	17,333	29,727
<b>Net Sales / Income from Operations</b>	145,052	168,268	193,705	313,320	411,803	784,831
<b>2 Segment Results (Profit / (Loss) before Tax and Interest from each segment)</b>						
- Hardware Products and Solutions	(2,392)	(4,788)	(5,343)	(7,180)	(11,595)	(22,407)
- Services	(429)	(122)	2,044	(551)	2,621	5,573
- Distribution	1,682	2,047	2,398	3,729	4,844	8,628
- Learning	(837)	(917)	(419)	(1,754)	(1,022)	(1,485)
Total	(1,976)	(3,780)	(1,320)	(5,756)	(5,152)	(9,691)
Less :						
i) Interest Expense	3,472	3,232	4,115	6,704	8,258	15,604
ii) Other un-allocable expenditure net off un-allocable (income)	(493)	(3,115)	(1,369)	(3,608)	(2,495)	(6,712)
<b>Total Profit / (Loss) before Tax</b>	(4,955)	(3,897)	(4,066)	(8,852)	(10,915)	(18,582)
<b>3 Capital Employed (Segment Assets - Segment Liabilities)</b>						
- Hardware Products and Solutions	90,340	84,179	69,554	90,340	69,554	83,091
- Services	26,267	22,583	20,713	26,267	20,713	24,837
- Distribution	(7,166)	(430)	8,348	(7,166)	8,348	(7,927)
- Learning	1,520	1,273	1,234	1,520	1,234	2,468
Unallocated	-	-	-	-	-	-
- Liquid Assets	26,579	27,682	31,174	26,579	31,174	30,951
- Others unallocated	106,912	114,217	132,874	106,912	132,874	122,071
<b>Total Capital Employed</b>	244,452	249,504	263,897	244,452	263,897	255,491

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.

By order of the Board  
for HCL Infosystems Limited

Premkumar Seshadri  
Executive Vice-Chairman & Managing Director