

**HCL INFOSYSTEMS LIMITED**

Regd.Off. 806, Siddharth, 96 Nehru Place, New Delhi 110 019.

**Unaudited Financial Results for the Quarter ended March 31, 2011**

Rs. Lakhs

**Consolidated Segment-wise Information**

Rs. Lakhs

Particulars	Consolidated					Standalone				
	Unaudited		Unaudited		Audited	Unaudited		Unaudited		Audited
	Three months ended March 31, 2011	2010	Three months ended March 31, 2011	2010	Year ended June 30, 2010	Three months ended March 31, 2011	2010	Three months ended March 31, 2011	2010	Year ended June 30, 2010
- <b>Gross Sales / Income from Operations</b>	<b>275,791</b>	<b>284,247</b>	<b>890,236</b>	<b>892,421</b>	<b>1,215,859</b>	<b>261,529</b>	<b>282,180</b>	<b>855,649</b>	<b>886,423</b>	<b>1,206,178</b>
- Less: Excise Duty	<b>2,790</b>	<b>2,797</b>	<b>9,784</b>	<b>7,925</b>	<b>10,877</b>	<b>2,790</b>	<b>2,797</b>	<b>9,784</b>	<b>7,925</b>	<b>10,877</b>
1a. Net Sales / Income from Operations	<b>273,001</b>	<b>281,450</b>	<b>880,452</b>	<b>884,496</b>	<b>1,204,982</b>	<b>258,739</b>	<b>279,383</b>	<b>845,865</b>	<b>878,498</b>	<b>1,195,301</b>
1b. Other Operating Income #	<b>790</b>	<b>1,636</b>	<b>3,522</b>	<b>3,073</b>	<b>2,980</b>	<b>545</b>	<b>1,620</b>	<b>2,646</b>	<b>2,801</b>	<b>2,644</b>
2. Expenditure										
a) (Increase) / Decrease in Stock in Trade and Work in Progress	<b>899</b>	<b>9,948</b>	<b>13,695</b>	<b>15,514</b>	<b>13,758</b>	<b>1,487</b>	<b>9,933</b>	<b>14,293</b>	<b>15,524</b>	<b>14,085</b>
b) Consumption of Raw Materials	<b>33,572</b>	<b>56,448</b>	<b>113,560</b>	<b>129,316</b>	<b>184,897</b>	<b>33,569</b>	<b>56,065</b>	<b>113,559</b>	<b>128,942</b>	<b>182,866</b>
c) Purchase of Traded Goods	<b>195,851</b>	<b>175,161</b>	<b>629,277</b>	<b>628,062</b>	<b>847,319</b>	<b>183,844</b>	<b>175,149</b>	<b>601,779</b>	<b>628,030</b>	<b>846,894</b>
d) Purchase of Services	<b>3,463</b>	<b>7,273</b>	<b>16,267</b>	<b>20,300</b>	<b>31,294</b>	<b>2,236</b>	<b>6,010</b>	<b>12,539</b>	<b>16,483</b>	<b>26,211</b>
e) Stores & Spares consumed and Others	<b>7,885</b>	<b>5,140</b>	<b>17,782</b>	<b>12,405</b>	<b>17,334</b>	<b>7,791</b>	<b>5,043</b>	<b>17,485</b>	<b>12,074</b>	<b>16,907</b>
f) Employees Cost	<b>12,890</b>	<b>9,738</b>	<b>36,534</b>	<b>28,156</b>	<b>39,124</b>	<b>11,926</b>	<b>9,176</b>	<b>33,531</b>	<b>26,535</b>	<b>36,841</b>
g) Administration, Selling, Repairs & Others	<b>10,459</b>	<b>9,644</b>	<b>30,186</b>	<b>26,115</b>	<b>36,600</b>	<b>9,887</b>	<b>9,142</b>	<b>28,397</b>	<b>24,674</b>	<b>34,605</b>
h) Depreciation and Amortisation	<b>1,004</b>	<b>557</b>	<b>2,837</b>	<b>1,833</b>	<b>2,551</b>	<b>875</b>	<b>574</b>	<b>2,448</b>	<b>1,573</b>	<b>2,173</b>
<b>Total Expenditure</b>	<b>266,023</b>	<b>273,909</b>	<b>860,138</b>	<b>861,701</b>	<b>1,172,877</b>	<b>251,615</b>	<b>271,092</b>	<b>824,031</b>	<b>853,835</b>	<b>1,160,582</b>
3. <b>Profit from Operations before Other Income &amp; Interest (1-2)</b>	<b>7,768</b>	<b>9,177</b>	<b>23,836</b>	<b>25,868</b>	<b>35,085</b>	<b>7,669</b>	<b>9,911</b>	<b>24,480</b>	<b>27,464</b>	<b>37,363</b>
4. Other Income	<b>1,603</b>	<b>669</b>	<b>4,407</b>	<b>1,882</b>	<b>3,482</b>	<b>1,543</b>	<b>668</b>	<b>4,343</b>	<b>1,873</b>	<b>3,246</b>
5. <b>Profit before Interest (3+4)</b>	<b>9,371</b>	<b>9,846</b>	<b>28,243</b>	<b>27,750</b>	<b>38,567</b>	<b>9,212</b>	<b>10,579</b>	<b>28,823</b>	<b>29,337</b>	<b>40,609</b>
6. Interest Expense	<b>2,412</b>	<b>912</b>	<b>5,899</b>	<b>2,724</b>	<b>3,921</b>	<b>2,254</b>	<b>865</b>	<b>5,447</b>	<b>2,586</b>	<b>3,744</b>
7. <b>Profit (+) / Loss (-) from ordinary activities before Tax (5-6)</b>	<b>6,959</b>	<b>8,934</b>	<b>22,344</b>	<b>25,026</b>	<b>34,646</b>	<b>6,958</b>	<b>9,714</b>	<b>23,376</b>	<b>26,751</b>	<b>36,865</b>
8. Tax Expense	<b>1,562</b>	<b>2,925</b>	<b>6,467</b>	<b>7,511</b>	<b>10,408</b>	<b>1,562</b>	<b>3,038</b>	<b>6,469</b>	<b>7,760</b>	<b>10,710</b>
9. <b>Net Profit (+) / Loss (-) from ordinary activities after Tax (7-8)</b>	<b>5,397</b>	<b>6,009</b>	<b>15,877</b>	<b>17,515</b>	<b>24,238</b>	<b>5,396</b>	<b>6,676</b>	<b>16,907</b>	<b>18,991</b>	<b>26,155</b>
10. Extraordinary items (net of tax expense)	-	-	-	-	-	-	-	-	-	-
11. <b>Net Profit (+) / Loss (-) for the period before minority interest (9-10)</b>	<b>5,397</b>	<b>6,009</b>	<b>15,877</b>	<b>17,515</b>	<b>24,238</b>	<b>5,396</b>	<b>6,676</b>	<b>16,907</b>	<b>18,991</b>	<b>26,155</b>
12. Minority Interest	<b>69</b>	-	<b>206</b>	-	-	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
13. <b>Net Profit (+) / Loss (-) for the period (11-12)</b>	<b>5,328</b>	<b>6,009</b>	<b>15,671</b>	<b>17,515</b>	<b>24,238</b>	<b>5,396</b>	<b>6,676</b>	<b>16,907</b>	<b>18,991</b>	<b>26,155</b>
14. Paid-up Equity Share Capital (Face value per share is Rs. 2/-)	<b>4,365</b>	<b>4,365</b>	<b>4,365</b>	<b>4,365</b>	<b>4,365</b>	<b>4,365</b>	<b>4,365</b>	<b>4,365</b>	<b>4,365</b>	<b>4,365</b>
15. Reserves excluding Revaluation Reserves as per Balance sheet of the previous accounting year					<b>183,135</b>					<b>186,094</b>
16. Earnings per Share (EPS) (not annualised) Rs./share										
a) EPS before extra ordinary items for the period										
- Basic	<b>2.44</b>	<b>2.75</b>	<b>7.18</b>	<b>8.83</b>	<b>11.92</b>	<b>2.47</b>	<b>3.06</b>	<b>7.75</b>	<b>9.57</b>	<b>12.86</b>
- Diluted	<b>2.44</b>	<b>2.75</b>	<b>7.18</b>	<b>8.80</b>	<b>11.90</b>	<b>2.47</b>	<b>3.05</b>	<b>7.75</b>	<b>9.54</b>	<b>12.84</b>
b) EPS after extra ordinary items for the period										
- Basic	<b>2.44</b>	<b>2.75</b>	<b>7.18</b>	<b>8.83</b>	<b>11.92</b>	<b>2.47</b>	<b>3.06</b>	<b>7.75</b>	<b>9.57</b>	<b>12.86</b>
- Diluted	<b>2.44</b>	<b>2.75</b>	<b>7.18</b>	<b>8.80</b>	<b>11.90</b>	<b>2.47</b>	<b>3.05</b>	<b>7.75</b>	<b>9.54</b>	<b>12.84</b>
17. Public Shareholding										
- Number of Shares	<b>108,602,641</b>	<b>108,602,181</b>	<b>108,602,641</b>	<b>108,602,181</b>	<b>108,602,181</b>	<b>108,602,641</b>	<b>108,602,181</b>	<b>108,602,641</b>	<b>108,602,181</b>	<b>108,602,181</b>
- Percentage of Shareholding	<b>49.76%</b>	<b>49.76%</b>	<b>49.76%</b>	<b>49.76%</b>	<b>49.76%</b>	<b>49.76%</b>	<b>49.76%</b>	<b>49.76%</b>	<b>49.76%</b>	<b>49.76%</b>
18. Promoters and Promoter Group Shareholding										
a) Pledged / Encumbered										
- Number of shares	<b>1,319,250</b>	<b>1,319,250</b>	<b>1,319,250</b>	<b>1,319,250</b>	<b>1,319,250</b>	<b>1,319,250</b>	<b>1,319,250</b>	<b>1,319,250</b>	<b>1,319,250</b>	<b>1,319,250</b>
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	<b>1.20%</b>	<b>1.20%</b>	<b>1.20%</b>	<b>1.20%</b>	<b>1.20%</b>	<b>1.20%</b>	<b>1.20%</b>	<b>1.20%</b>	<b>1.20%</b>	<b>1.20%</b>
- Percentage of shares (as a % of the total share capital of the company)	<b>0.60%</b>	<b>0.60%</b>	<b>0.60%</b>	<b>0.60%</b>	<b>0.60%</b>	<b>0.60%</b>	<b>0.60%</b>	<b>0.60%</b>	<b>0.60%</b>	<b>0.60%</b>
b) Non-encumbered										
- Number of shares	<b>108,337,071</b>	<b>108,337,071</b>	<b>108,337,071</b>	<b>108,337,071</b>	<b>108,337,071</b>	<b>108,337,071</b>	<b>108,337,071</b>	<b>108,337,071</b>	<b>108,337,071</b>	<b>108,337,071</b>
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	<b>98.80%</b>	<b>98.80%</b>	<b>98.80%</b>	<b>98.80%</b>	<b>98.80%</b>	<b>98.80%</b>	<b>98.80%</b>	<b>98.80%</b>	<b>98.80%</b>	<b>98.80%</b>
- Percentage of shares (as a % of the total share capital of the company)	<b>49.64%</b>	<b>49.64%</b>	<b>49.64%</b>	<b>49.64%</b>	<b>49.64%</b>	<b>49.64%</b>	<b>49.64%</b>	<b>49.64%</b>	<b>49.64%</b>	<b>49.64%</b>
# includes Exchange Fluctuation Gains / (Losses) (including unrealised gains/ losses on restatement of trade payables and receivables)	<b>274</b>	<b>1,229</b>	<b>1,290</b>	<b>1,708</b>	<b>1,189</b>	<b>219</b>	<b>1,230</b>	<b>1,216</b>	<b>1,708</b>	<b>1,187</b>

Particulars	Unaudited			Unaudited			Unaudited		
	Three months ended March 31, 2011		2010	Nine months ended March 31, 2011		2010	Year ended June 30, 2010		2010
	<b>1. Segment Revenue</b>								
a) Products and Related Services									
- Computer Systems & Other Related Products and Services (Gross)	<b>89,847</b>	<b>96,040</b>	<b>283,752</b>	<b>249,958</b>	<b>364,278</b>				
Less: Excise Duty	<b>2,790</b>	<b>2,797</b>	<b>9,784</b>	<b>7,925</b>	<b>10,877</b>				
- Computer Systems & Other Related Products and Services (Net)	<b>87,057</b>	<b>93,243</b>	<b>273,968</b>	<b>242,033</b>	<b>353,401</b>				
- Telecommunication & Office Automation (Net)	<b>185,628</b>	<b>188,467</b>	<b>603,725</b>	<b>643,509</b>	<b>852,897</b>				
b) Internet & Related Services (Discontinuing Operations)	<b>1,838</b>	<b>1,768</b>	<b>5,636</b>	<b>5,912</b>	<b>7,667</b>				
Total	<b>274,523</b>	<b>283,478</b>	<b>883,329</b>	<b>891,454</b>	<b>1,213,965</b>				
Less : Intersegment revenue	<b>1,522</b>	<b>2,028</b>	<b>2,877</b>	<b>6,958</b>	<b>8,983</b>				
<b>Net Sales / Income from Operations</b>	<b>273,001</b>	<b>281,450</b>	<b>880,452</b>	<b>884,496</b>	<b>1,204,982</b>				
<b>2. Segment Results (Profit/ (Loss) before Tax and Interest from each segment)</b>									
a) Products and Related Services									
- Computer Systems & Other Related Products and Services	<b>4,494</b>	<b>5,294</b>	<b>12,556</b>	<b>12,922</b>	<b>19,044</b>				
- Telecommunication & Office Automation	<b>4,502</b>	<b>5,350</b>	<b>15,580</b>	<b>16,605</b>	<b>21,591</b>				
b) Internet & Related Services (Discontinuing Operations)	<b>(239)</b>	<b>(340)</b>	<b>(848)</b>	<b>(764)</b>	<b>(1,380)</b>				
Total	<b>8,757</b>	<b>10,304</b>	<b>27,288</b>	<b>28,763</b>	<b>39,255</b>				
Less :									
i) Interest Expense	<b>2,412</b>	<b>912</b>	<b>5,899</b>	<b>2,724</b>	<b>3,921</b>				
ii) Other un-allocable expenditure net off	<b>989</b>	<b>1,127</b>	<b>3,452</b>	<b>2,895</b>	<b>4,170</b>				
iii) Un-allocable income	<b>1,603</b>	<b>669</b>	<b>4,407</b>	<b>1,882</b>	<b>3,482</b>				
<b>Total Profit before Tax</b>	<b>6,959</b>	<b>8,934</b>	<b>22,344</b>	<b>25,026</b>	<b>34,646</b>				
<b>3. Capital Employed (Segment Assets - Segment Liabilities)</b>									
a) Products and Related Services									
- Computer Systems & Other Related Products and Services	<b>144,164</b>	<b>118,225</b>	<b>144,164</b>	<b>118,225</b>	<b>121,511</b>				
- Telecommunication & Office Automation	<b>35,288</b>	<b>29,784</b>	<b>35,288</b>	<b>29,784</b>	<b>20,339</b>				
b) Internet & Related Services (Discontinuing Operations)	<b>(809)</b>	<b>(560)</b>	<b>(809)</b>	<b>(560)</b>	<b>(477)</b>				
c) Unallocated									
- Liquid Assets	<b>77,523</b>	<b>79,324</b>	<b>77,523</b>	<b>79,324</b>	<b>85,579</b>				
- Others	<b>30,551</b>	<b>14,309</b>	<b>30,551</b>	<b>14,309</b>	<b>14,374</b>				
<b>Total Capital Employed</b>	<b>286,717</b>	<b>241,082</b>	<b>286,717</b>	<b>241,082</b>	<b>241,326</b>				

Notes:

1. The above results, after recommendation by the Audit Committee, have been approved and taken on record by the Board of Directors at its meeting held on April 28, 2011. These results have been subjected to limited review by the statutory auditors.
2. The Board of Directors at the above meeting has declared interim dividend of Rs. 2/- per fully paid up equity share of Rs. 2/- each for the Financial Year 2010-11. The "Record Date" for the payment of dividend will be May 6, 2011.
3. During the quarter, the Company through a wholly owned subsidiary incorporated in Singapore has acquired 20% equity stake in a Dubai based company (a joint-venture as per AS-27), the financial results for which have been consolidated as per proportionate consolidation basis and do not have a material impact on the net sales or profit for the quarter.
4. The Company has signed a Share Purchase Agreement (SPA) with a Buyer in January 2011 for the sale of its entire equity stake in HCL Infinet Limited, the wholly owned subsidiary, reported as Internet & Related Services segment which is accordingly identified as a discontinuing operation. The sale/transfer of the entire equity stake shall be given effect on receipt of necessary regulatory approvals.
5. The Company on receipt of 25% upfront money had allotted on preferential basis 4,620,667 convertible share warrants to HCL Corporation Limited at a price of Rs. 152.90 per share warrant on October 7, 2009. Subsequently, on receipt of balance 75% allotment money on April 5, 2011, the Company has converted these share warrants into equivalent number of 4,620,667 equity shares of Rs 2/- each at a price of Rs.152.90 per equity share (including share premium of Rs 150.90 per equity share). After this equity share allotment, there are no share warrants outstanding for conversion.
6. Tax expense for the current quarter has been estimated subject to final computation of various tax adjustments.
7. Consolidated Results include financial results of HCL Infosystems Limited (the parent company) and its seven subsidiaries and their three subsidiaries and two joint venture companies.
8. The Company on a standalone basis operate in Computer Systems and Telecommunication & Office Automation segments and also its subsidiary HCL Insys Pte. Limited, Singapore and step down subsidiary HCL Infosystems MEA, Dubai and its subsidiaries HCL Infosystems LLC, Dubai and HCL Infosystems (Abu Dhabi), LLC operate in Computer Systems segment. The Company's subsidiary HCL Infinet Limited operates in Internet & Related Services segment. The subsidiary HCL Security Limited and HCL Investment Pte Limited, Singapore & its joint venture Techmart Telecom Distribution FZCO, Dubai forms part of Telecommunication & Office Automation segment.
9. Seven investor complaints were received and resolved during the quarter ended March 31, 2011. No investor complaints were pending at the beginning and at the end of the quarter.
10. 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

Place : Noida  
Date : April 28, 2011

AJAI CHOWDHRY  
Chairman



