

6<sup>th</sup> August, 2020

To

<b>The General Manager</b> Department of Corporate Relations BSE Limited Sir Phiroze Jeejeebhoy Towers Dalal Street Fort Mumbai 400 001	<b>The Vice President</b> Listing Department The National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex Bandra (East) Mumbai 400 051
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**Sub: Intimation of Board Approval of HCL Infosystems Limited for merger of wholly owned subsidiaries with the Company**

**Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**Symbol: NSE : HCL-INSYS  
BSE (For Physical Form): 179  
BSE (For Demat Form) : 500179**

**Dear Sirs,**

In terms of Regulation 30 read with Part A of Schedule III as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors of HCL Infosystems Limited (**the Company**), in their meeting held today i.e. 6<sup>th</sup> August, 2020 has considered and given its approval for the following –

**Proposed merger of wholly owned subsidiaries of the Company** – The Board considered and approved the merger of HCL Learning Limited and Digilife Distribution and Marketing Services Limited ('DDMS') with the Company. HCL Learning Limited and DDMS are wholly owned subsidiaries of the Company.

The proposed merger is for the purpose of simplifying and streamlining the group structure of the Company and reduce administrative costs.

The proposed merger shall be implemented through a scheme of amalgamation under the provisions of Section 230 to 232, and other applicable provisions of the Companies Act, 2013 and shall be subject to the approvals of National Company Law Tribunal, shareholders and creditors of the Company and such other approvals as may be required in this regard.

Enclosed as Annexure A is the information pursuant to Regulation 30 of the LODR Regulations.

Please acknowledge receipt.

Very Truly Yours,  
**For HCL Infosystems Limited**

**Sushil Kumar Jain**  
**Company Secretary & Compliance Officer**

**Annexure A  
 Details of Transaction**

<b>S.No</b>	<b>Particular</b>	<b>Remarks</b>												
<b>1.</b>	<b>Name and details of the Transferor and Transferee Companies</b>	<p><b>Transferor Companies –</b></p> <ul style="list-style-type: none"> <li>HCL Learning Limited ('HCL Learning')</li> <li>Digilife Distribution and Marketing Services Limited ('DDMS')</li> </ul> <p><b>Transferee Company</b>                      HCL Infosystems Limited ('HIL')</p> <p>Below are the brief details of Transferor and Transferee Company as on 31st March, 2020 –</p> <table border="1"> <thead> <tr> <th><b>Name of the Company</b></th> <th><b>Net worth (In INR Cr)</b></th> <th><b>Turnover (In INR Cr)</b></th> </tr> </thead> <tbody> <tr> <td>HCL Learning</td> <td>(46.12)</td> <td>9.3</td> </tr> <tr> <td>DDMS</td> <td>(0.5)</td> <td>23.3</td> </tr> <tr> <td>HIL</td> <td>(39.9)</td> <td>1677.8</td> </tr> </tbody> </table>	<b>Name of the Company</b>	<b>Net worth (In INR Cr)</b>	<b>Turnover (In INR Cr)</b>	HCL Learning	(46.12)	9.3	DDMS	(0.5)	23.3	HIL	(39.9)	1677.8
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DDMS	(0.5)	23.3												
HIL	(39.9)	1677.8												
<b>2.</b>	<b>Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"</b>	<p>HCL Learning and DDMS (Transferor Companies) are Wholly Owned Subsidiaries of the HIL (Transferee Company)</p> <p>The proposed merger does not fall within the purview of related party transactions.</p> <p>Further, as per the regulation 23(5)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the related party transaction provisions are not applicable to the proposed merger.</p>												
<b>3.</b>	<b>Areas of business of entities</b>	<p>HCL Learning – This company is primarily engaged in selling of digitized educational content &amp; learning</p> <p>DDMS – This company is primarily engaged in value-added distribution of technology, mobility and consumer electronic products</p> <p>HIL – Transferee is primarily engaged in value-added distribution of technology, mobility and consumer electronic products</p>												
<b>4.</b>	<b>Rationale for merger</b>	<p>Rationale for the merger:</p> <p>a) Consolidation of businesses into one corporate entity which would result in operational synergies for the group.</p>												

**HCL INFOSYSTEMS LTD.**

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Corporate Identity Number - L72200DL1986PLC023955

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		<p>b) Simplification of the corporate structure and reduction of legal entities; and</p> <p>c) Overall reduction in administrative, managerial and other expenditure and optimum utilization of various resources.</p>
<b>5.</b>	<b>In case of cash consideration-amount or otherwise share exchange ratio</b>	<p>There is no cash consideration involved. The transferor Companies are wholly owned subsidiaries of the Transferee Company. Accordingly, no shares are required to be issued as consideration as part of the Scheme.</p> <p>The entire shareholding of the Transferor Companies held by the Transferee Company shall stand cancelled.</p>
<b>6.</b>	<b>Detail of change in shareholding pattern</b>	<p>There shall be no change in the shareholding pattern of the Transferee Company as no shares are being issued by the Transferee Company pursuant to the Scheme</p>