

HCL Infosystems registers Rs. 3,217.34 Lakh revenue with operating loss of Rs. 2,777.96 Lakh in FY23

May 22, 2024, New Delhi

FY24 Business Highlights:

- **FY24** revenue was Rs. 3,217.34 Lakh
- Systems Integration and Solutions business reported revenue of Rs. 2,765.77 Lakh
- Loss Before Tax and exceptional items was Rs. 2,777.96 Lakh
- Exceptional non-recurring gain during this year was on account of:
 - Profit on sale of properties of Rs. 1,196.36 Lakh.
- Loss Before Tax after considering exceptional items was Rs. 1,581.60 Lakh

Q4' FY24 Business Highlights:

- **Q4'24** revenue was Rs. 672.34 Lakh
- Systems Integration and Solutions business reported revenue of Rs. 578.77 Lakh
- Loss Before Tax and exceptional items Rs. 546.59 Lakh
- Loss Before Tax after considering exceptional items Rs. 546.59 Lakh

HCL Infosystems today announced its financial results for the quarter ended Mar 31st, 2024.

Mr. Raj Sachdeva, Manager of HCL Infosystems Ltd, commenting on the results' said, "*In FY 24, the Company continued to focus on monetization of properties, realization of tax refunds, realization of receivables through arbitration proceedings, expediting deliverables of existing projects.*"

Company Update

Legal update

As stated in our earlier releases, the Company has initiated arbitration proceedings against some of the customers of Systems Integration and Solutions business where acceptance, sign-offs and payments are held up for a long time. The arbitration proceedings are progressing and we shall keep the stakeholders informed about the outcome, as and when the proceedings conclude.

Due to these multiple legal arbitration proceedings and legacy issues, significant effort and cost is being incurred on legal and legacy matters.

With our continued focus on arbitrations to recover our dues, the company has some initial wins against some of customers during the year amounting to more than Rs. 6,000 Lakhs. However, customers have the right to appeal these awards and some of them have already done so.

Appointment of new Independent Directors

The Board of Directors of the Company in their meeting held on 10th August 2023, appointed Mr. Raghu Venkat Chivukula and Mr. Kirti Kumar Dawar as Additional Non-Executive Independent Directors, not liable to retire by rotation, for a first term of five consecutive years from 10th August 2023 till 9th August 2028. The appointment was approved by shareholders of the Company.

Mr. Kaushik Dutta and Ms. Sangeeta Talwar, Independent and Non-Executive Directors retired after completion of their second term w.e.f. closing hours of 31st March 2024.

Re-appointment of Dr. Nikhil Sinha for second term

The Board of Directors of the Company in their meeting held on 13th February 2024, re-appointed Dr. Nikhil Sinha as Independent and Non-Executive Director, not liable to retire by rotation, for a second term of five consecutive years from 1st April 2024 to 31st March 2029. The re-appointment was approved by the shareholders of the Company.

Borrowing Position as on 31st Mar'24

1. There are no external loans. However, there is interest free unsecured loan of Rs. 35,500.00 Lakhs from promoter company, HCL Corporation Private Limited.
2. The current utilisation of Non-fund based limits is Rs. 19,103.57 Lakhs, mainly on account of Bank Guarantees.

Divestment of Property

The Company has decided to monetize certain Company owned properties in a phased manner. Several of the Company's properties are not being fully utilized due to changes in the business of the Company. During the current year, the Company sold one property for a total consideration of Rs. 1,500.00 Lakhs.

Tax refund

Total tax refund received during the current financial year is Rs 1,866.56 Lakhs.

About HCL Infosystems

HCL Infosystems is an IT System Integration and Solutions company. For more information, please visit us at www.hclinfosystems.in.

Media Contact Information	
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Consolidated Results

	Three months ended			Year ended	Year ended
	31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
	Audited	Unaudited	Audited	Audited	Audited
Income					
Revenue from operations	672	816	826	3,217	3,141
Other income	825	761	780	2,982	2,339
Total Income	1,497	1,577	1,606	6,199	5,480
Expenses					
Direct expenses	195	207	692	1,303	1,855
Changes in inventories of stock-in-trade	(2)	1	13	2	12
Employee benefits expense	517	509	467	2,003	2,039
Finance costs	3	7	9	37	193
Depreciation and amortisation expense	12	14	13	54	58
Legal, professional and consultancy charges	737	1,290	794	3,302	2,889
Other expenses	582	479	1,075	2,276	3,692
Total expenses	2,044	2,507	3,063	8,977	10,738
Loss before exceptional items and tax from continuing operations	(547)	(930)	(1,457)	(2,778)	(5,258)
Exceptional Items (loss) / gain	0	-	897	1,196	1,384
Profit /(Loss) before tax from continuing operations	(547)	(930)	(560)	(1,582)	(3,874)
Tax expense / (credit)					
(a) Current tax	6	-	5	6	5
(b) Deferred tax expense	-	-	-	-	-
Net Profit/(Loss) for the period from continuing operations	(553)	(930)	(565)	(1,588)	(3,879)
Profit / (loss) before tax from discontinued operations	-	-	-	-	-
Profit / (loss) on disposal of discontinued operations	-	-	-	-	-
Tax expense / (credit) of discontinued operations	-	-	-	-	-
Net Profit /(Loss) for the period from discontinued operations	-	-	-	-	-
Net Profit/(Loss) for the period	(553)	(930)	(565)	(1,588)	(3,879)
Other comprehensive income					
A (i) Items that will not be reclassified to profit and loss	(4)	-	(2)	(4)	(2)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
B (i) Items that will be reclassified to profit and loss	(10)	13	11	9	42
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
Total other comprehensive income, net of income tax	(14)	13	9	5	40
Total comprehensive income for the period	(567)	(917)	(556)	(1,583)	(3,839)
Basic EPS (Not annualised) Rs/share for discontinued & continuing operations	(0.17)	(0.28)	(0.17)	(0.48)	(1.18)

CONSOLIDATED SEGMENT INFORMATION

(Rs. In Lakhs)

Particulars	Three months ended			Year ended	Year ended
	31.03.2024 Audited	31.12.2023 Unaudited	31.03.2023 Audited	31.03.2024 Audited	31.03.2023 Audited
Segment Revenue					
- Hardware Products and Solutions	579	678	699	2,766	2,574
- Distribution	93	138	127	451	567
- Learning	-	-	-	-	-
Total	672	816	826	3,217	3,141
Less : Intersegment revenue	-	-	-	-	-
Net Sales / Income	672	816	826	3,217	3,141
Segment results (profit / (loss) before tax and Interest from each segment)					
- Hardware Products and Solutions	(761)	(856)	(1,420)	(2,832)	(3,250)
- Distribution	138	(49)	54	96	180
- Learning	22	-	(7)	22	(7)
Total	(601)	(905)	(1,373)	(2,714)	(3,077)
Less :					
i) Interest expense	3	7	9	37	193
ii) Other un-allocable expenditure net off un-allocable (income)	(57)	18	(822)	(1,169)	604
Total Profit / (Loss) before tax	(547)	(930)	(560)	(1,582)	(3,874)
Segment Assets					
- Hardware Products and Solutions	23,470	25,148	24,895	23,470	24,895
- Distribution	10,484	10,569	10,546	10,484	10,546
- Learning	79	87	91	79	91
- Unallocated	11,537	11,676	15,058	11,537	15,058
Total Assets	45,570	47,480	50,590	45,570	50,590
Segment Liabilities					
- Hardware Products and Solutions	33,325	34,079	35,140	33,325	35,140
- Distribution	3,167	3,264	3,018	3,167	3,018
- Learning	45	75	78	45	78
- Unallocated	35,965	36,425	37,704	35,965	37,704
Total Liabilities	72,502	73,843	75,940	72,502	75,940