

TECHNOLOGY IS MAKING BUSINESS A TEAM-SPORT

Annual Report 2015



HCL

OFFICIAL DIGITAL
TRANSFORMATION PARTNER

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BOARD OF DIRECTORS**MR. SHIV NADAR**

Chairman & Chief Strategy Officer

MS. ROSHNI NADAR MALHOTRA

Non-Executive Director

MR. SUDHINDAR KRISHAN KHANNA

Non-Executive Director

MR. AMAL GANGULI

Non-Executive & Independent Director

MR. KEKI MISTRY

Non-Executive & Independent Director

MR. RAMANATHAN SRINIVASAN

Non-Executive & Independent Director

MS. ROBIN ANN ABRAMS

Non-Executive & Independent Director

MR. SUBRAMANIAN MADHAVAN

Non-Executive & Independent Director

DR. SOSALE SHANKARA SASTRY

Non-Executive & Independent Director

MR. MANISH ANAND

Company Secretary

Auditors**M/s. S.R. Batliboi & Co. LLP**

Chartered Accountants

Gurgaon

Bankers**Citibank, N.A.**

Global Transaction Services

Citigroup Corporate and Investment Banking

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DLF City, Phase-II

Gurgaon-122002

Deutsche Bank AG

Corp. Office - DLF Square

4th Floor, Jacaranda Marg,

DLF City, Phase - II

Gurgaon-122002

Standard Chartered Bank

Wholesale Banking

3rd Floor, DLF Building No. 7A,

Sector-24, 25 & 25A

Cyber City, Gurgaon-122002

State Bank of India

Corporate Accounts Group -II

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Redfort Capital Parsvnath Towers

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MANAGEMENT DISCUSSION AND ANALYSIS

Investors are cautioned that this discussion contains forward-looking statements that involve risks and uncertainties. When words like ‘anticipate,’ ‘believe,’ ‘estimate,’ ‘intend,’ ‘will,’ ‘expect’ and other similar expressions are used in this discussion, they relate to the Company or its business and are intended to identify such forward-looking statements. The Company undertakes no obligations to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or other factors. Actual results, performances or achievements could differ materially from those expressed or implied in such statements. Factors that could cause or contribute to such differences as well as factors discussed elsewhere in this report. Readers are cautioned not to place undue reliance on the forward-looking statements as they speak only as of their dates. The following discussion and analysis should be read in conjunction with the Company’s financial statements included herein, and the notes thereto.

Annual Report – MD&A

Current State of the IT Industry

The global Information Technology (IT) industry’s future is being shaped by economic forces and the adoption of new technologies. The industry is witnessing a shift from a linear to a non-linear growth , and thus following a differentiated path. With a strong innovation backed ecosystem, the industry will continue to partner with global clients and enable business success as technology continues to evolve. According to NASSCOM, the Indian IT-BPM Industry grew by 13% in FY15.

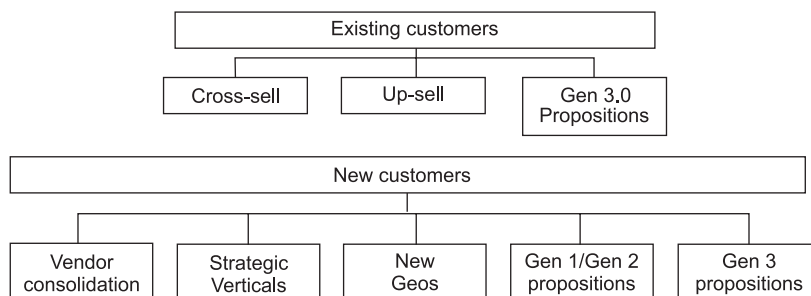
Industry Outlook

NASSCOM projects that industry exports will continue to grow at 12% to 14% driven by the demand in transformational technologies.

Drivers for Future Growth

- Digitalization is viewed as a route to business model transformation and innovation for building sustainable competitive advantage. Businesses see a need for front-to-back, end-to-end process alignment, which would help them build their digital platforms and their digital operation environments of the future.
- The global sourcing model continues to grow in importance. The Engineering Research and Development (ER&D) services portfolio is witnessing a greater emphasis on product engineering and innovation at product and process levels.
- Enterprise Applications are moving to the cloud and ‘anything’-as-a-service, and technology enablement in emerging verticals and regions are presenting significant new opportunities for the IT industry. There is an increased focus on verticalized businesses and geographies, and on continuous innovation for customer growth. Amongst geographies, Continental Europe, the Middle East and Africa (MEA), and Asia Pacific (APAC) are the faster growing markets.

HCL Technologies - Opportunities for Growth



Future growth opportunities will come from both new and existing customers

- **From existing customers:** Opportunities reside in helping existing customers transform their business models through Next-Gen ITO (Next Generation Information Technology Outsourcing), IoT(Internet of things) and Digitalization. HCL also helps customers reduce the cycle time for GTM (Go-to-Market) of their products by deploying unique propositions for ERS (Engineering and R&D) customers.
- **From new customers:** Companies are adopting a Multi-Vendor strategy to meet their IT needs. This gives providers an opportunity to increase their market share. Focusing on strategic verticals and geographies will also lead to an increase in the list of potential customer base.

Customers have found HCL’s Gen 1.0/Gen 2.0 propositions like ALT ASM™ (Alternative Application Support Management), and EoF (Enterprise of the Future) uniquely differentiated. Overall, HCL will continuously strive to align IT to business SLAs (Service Linked Agreements) for its customers and optimize technology spend for them.

HCL's Strategy

HCL aims at transforming Customers TOM (Target Operating Model) significantly by putting technology at the core of business. Using cutting-edge technologies, customers are now increasingly able to create new business models and improve revenue streams. HCL's digitalization offerings help them experience a considerable positive impact on revenue and profit lines. HCL also integrates its Engineering and R&D Services (ERS) and device capabilities with its competencies in IT and BPO (Business Process Outsourcing) services, to create uniquely differentiated offerings around the system of systems.

Impacting customer business around the aforementioned areas will help HCL grow CSAT (Customer Satisfaction Index) Year-on-Year (YoY).

The Company continues to invest significantly in co-innovation labs, global delivery centers, information security, leadership and skills, and digital marketing. In addition, an employee-driven innovation culture has enabled HCL to drive enhanced customer satisfaction and outgrow the industry. HCL's unique organizational culture of Ideapreneurship has put employees at the forefront of innovation, where they are encouraged to ideate and design solutions that can overcome customer operational and business challenges.

Infrastructure Management Services (IMS)

A Snapshot

- Constitutes 34.7% of HCL Technologies' revenue
- Services offered are primarily geared towards G2000 companies; HCL IMS is considered a credible alternative to Global MNC IT outsourcers
- Manages mission-critical environments for over 20 of the Fortune 100 companies
- Offerings include: Next generation data center and cloud services, business services management, next gen network services, digital operations, information security and GRC services, cross-functional services, mainframe and AS/400 management, and systems integration.
- Industries served include: automotive, banking and insurance, chemical, energy (oil and gas) and utility, consumer electronics, financial services, consumer products, hi-tech, independent software vendor (ISV), life sciences, healthcare and pharmaceuticals, manufacturing, media, publishing and entertainment, retail, telecom, and travel, tourism and logistics, amongst others.

IMS manages mission-critical IT environments for over 20 of the Fortune 100 companies. With differentiated and well defined value propositions, IMS is well positioned to address the IT infrastructure requirements of an enterprise.

HCL's EOF (Enterprise of the Future) Framework enables companies to transition from legacy technologies and operating models to digital-ready enterprise technology infrastructure. This enables business agility and reduces the TCO (Total Cost of Ownership) across several areas of transformation.

HCL is widely recognized by the analyst community as a leading global infrastructure services provider. Key service offerings include:

- **Next Gen Workplace Services:** These are workplace modernization services that cover end-user enablement (HCL Optibot), profiling (Kaleidoscope), service desk and global field support, remote/branch site optimization (Zero Infrastructure Footprint), hybrid messaging, social and collaboration services, enterprise mobile enablement, managed print services, virtualization and desktop as a service, client application management services, and operating system (Windows 7/8, iOS, Android) migration.

HCL continues to invest in building industry-leading, differentiated tools for optimized cloud enablement, such as HCL CART (Cloud Assessment Tool), CCC (Cloud Command Centre – a specialized cloud migration, deployment and operations center), and HCL MyCloud Portal for cloud aggregation and end user enablement and management.

- **Next Gen Network Services:** These are lifecycle management services that span strategy, transformation, and operations, and cover strategy definition, audit services, risk assessment and mitigation planning, policy definition and implementation, unified communication services, software defined networks, and network services brokerage.
- **Information Security and GRC Services:** These services include systems security, end point security, application security, data and content security, identity and access management, network security and enterprise security assurance and governance risk/compliance. HCL offers a strategy of holistic security to create a digital fortress for next gen digital enterprises. This strategy covers defense/protection, security intelligence, identity and access, and continuous compliance using HCL's BRiCS (Business Risk Intelligence and Compliance Solution) Framework.
- **Enterprise Platform Services:** These services include the modernization of application platform infrastructure across application servers, middleware, and data platforms, by adopting pattern-driven workload engineered systems and creating enterprise-grade PaaS (Platform as a Service) to be delivered across a hybrid cloud which leverages development operations and elastic infrastructure.

HCL- Key Growth Drivers:

- Gen 3.0 Value Chain Aligned Propositions across Digital, IoT, Service Integration and Cloud TOM for ITO
- A well balanced portfolio to address full IT and BPO opportunities
- A simplified and consolidated structure with clearly established lines of accountability
- Positioned as a Provider of end-to-end services with in-depth domain knowledge along with required skills
- A focus on innovation through Customer Advisory Council inputs
- "Best-in-class" account management practices which is continuously evolving
- Investments in high value services and global delivery models
- Going beyond traditional levers to achieve non-linear growth and thus leading to higher margins

- **Business Services Management:** This includes the modernization of the management fabric for next gen hybrid enterprises, covering unified monitoring, IT automation, IT operations analytics, and unified reporting. HCL offers its proven frameworks, such as MTaaS™ (Management Tools as a Service), MyCloud, AUTOPS (Automated Operations), and ITOPS (Analytics-based IT Operations) delivered as a hybrid SaaS (Software as a Service)-based platform, thus enabling rapid value optimization.
- **Service Integration and Management:** This includes the modernized orchestration of multiple service providers, cloud services, and outsourcing services across a common process-driven service integration platform, powered by HCL's GBPS (Gold Blue Print Solution). The solution enables a customer to have a unified Enterprise Service Integration experience across applications, infrastructure and the cloud. SIAM (Service Integration and Management) is at the heart of IT service integration as a Company evolves towards Gen 3.0. HCL's SIAM model balances the demand and supply of service bandwidth to service consumers. HCL helps customers assess the right SIAM model, design and build the function using HCL's solution accelerators, and implement and integrate the services of multiple service providers.
- **Integrated Operations Services across Enterprise and Digital:** HCL's integrated operations service capability brings Web-scale IT architecture into an enterprise. The HCL service offering combines several components including an agile development operations-oriented support framework, a highly elastic and self-healing infrastructure, high levels of automation, eSecurity practices and an end-to-end performance management solutions. This service offering is designed for the end-to-end IT operations of the digital side of large Global 2000 enterprises.
- **Technology Transformation Services:** These cover the entire range of technology infrastructure offerings. HCL has successfully delivered over 580 complex IT infrastructure, architecture and operations transformations, and is increasingly acknowledged and recognized by Fortune 100, Fortune 500 and Global 2000 companies as a credible alternative to top tier global MNCs.

HCL provides infrastructure management services to customers through a robust delivery network of service centers across the globe. HCL's infrastructure operations include the standardized management of over 5 million globally distributed IT assets and devices and over 17 million helpdesk contacts that support the needs of over 1.4 million business users in over 26 languages.

HCL's solutions cater to an array of major industries, including automotive, consumer goods, banking, financial services and insurance, energy (oil and gas) and utility, and independent software vendor (ISV).

- HCL has been positioned as a Leader in The Forrester Wave™: Global Infrastructure Outsourcing, Q1 2015 report by William Martorelli and Wolfgang Benkel, Forrester Research Inc, January 13, 2015.
- HCL has been positioned as a Leader in the Gartner Magic Quadrant for Data Center Outsourcing and Infrastructure Utility Services, North America - Analyst(s): William Maurer, David Edward Ackerman, Bryan Britz, July 2014.
- HCL has been positioned as a Leader in the Gartner Magic Quadrant for Communications Outsourcing and Professional Services - Analyst(s): Eric Goodness, Christine Tenneson, Bjarne Munch, November, 2014.
- HCL has been positioned as a Leader in IDC MarketScape for Worldwide Cloud Professional Services 2014 Vendor Assessment, August 2014. According to the report, "HCL offers an enterprise-class cloud services delivery platform that covers the entire range of customer requirements from dedicated infrastructure stacks to hybrid cloud environments."
- HCL has been positioned as a Leader in IDC MarketScape: Worldwide Datacenter Transformation Consulting and Implementation Services 2014 Vendor Assessment, December 2014 (IDC #252910).

A Snapshot

- Constitutes 42% of HCL Technologies' revenue
- Key partnerships: SAP, Microsoft, Oracle, IBM, Salesforce.com
- Offerings: Business analytics services, business assurance and testing, CRM, e-Commerce and omni-channel, HCM, integration and middleware, Microsoft, Oracle, SAP, collaboration and enterprise content management platforms
- Industries: Consumer services, financial services, life sciences and healthcare, manufacturing, and public services

Applications Services

HCL's Applications Services provides customers with integrated transformational services for their applications portfolio. With operations spanning 31 countries, HCL offers a broad range of focused applications and business services.

HCL's Applications Services offers technical expertise organized around 12 horizontal capabilities. This structure offers customers transformational value, which builds upon the specialized experience and knowledge of the industry's most seasoned professionals. HCL's engagements are diverse and comprehensive, and provide customers with solutions that meet business challenges across a number of industries. HCL's solutions support the needs of enterprises in an increasingly digital world, from delivering data-driven insights and enabling enterprise mobility, to harnessing the power of omni-channel commerce for driving business growth.

With HCL, customers get a fresh perspective and a distinct capability, which HCL calls, the 'Alternative'. The IT industry's landscape is changing and the applications market, in particular, has undergone a transformational shift. While traditional systems integration services remain critical, clients are now seeking partners that can also help them make sense of emerging technologies and simplify their IT operations, while simultaneously reducing costs. HCL recognizes this shift and has adapted its approach to the applications services portfolio, to meet the changing needs of its clients with an enhanced portfolio of digital enablement solutions.

HCL has a strong partner network and works with leading technology providers to deliver best-in-class solutions. HCL's strategic partners include SAP, Oracle, IBM, HP, TIBCO and Microsoft, with whom HCL has longstanding collaboration across technology areas. Each of the individual horizontals also have specialist partnerships for niche technologies. For example, the Business Analytics Services horizontal leverages relationships with MongoDB, Cloudera and Hortonworks to deliver next-gen big data solutions and address joint opportunities. Similarly, Adobe and Sitecore are key partners for creating digital marketing solutions.

HCL continues to invest significantly in relevant research and campaigns to showcase Thought Leadership and support demand generation efforts, including joint campaigns with partners.

HCL recognizes the importance of investing in and developing strong intellectual property and offerings in new and emerging technology areas. In the SAP space, HCL has developed a strong solutions and offerings portfolio for advanced analytics, e-commerce/Hybris, digital procurement/Ariba, cloud migration, human capital management/SuccessFactors, and mobility. HCL has conducted a number of joint marketing programs and webinars with SAP around Cloud and SuccessFactors. HCL is working closely with Microsoft on co-creating propositions and running joint campaigns around Microsoft Azure. HCL has developed IllumInfo, a powerful search and analytics tool that uncovers actionable insights from massive digital content sourced from within and outside the organization. HCL has also developed a comprehensive Big Data Lake framework and strengthened its portfolio of digital experience solutions with BrandeX, an end-to-end digital marketing solution for making omni-channel experiences available to customers.

HCL is well integrated within the partner sales and solutions ecosystem for joint account planning, co-development, and go to market efforts. HCL conducts and participates in partner sales meets and innovation and partner days on a regular basis. It is also an integral part of Microsoft's worldwide partner conference. HCL also conducts regular partner days with Oracle ecosystem partners.

HCL's Application Services expects to see rapid growth across all of its horizontal capabilities in the next year, as it continues to develop new solutions and adapt its existing service offerings to meet the ever changing needs of its clients.

The achievements of HCL's Applications Services has been recognized by Analysts:

- "HCL Technologies helps customers accelerate digital transformation by offering cXstudio, located on or near the client's premises, combining Agile and customer-centric approaches and skills as well as research, design, development, end user testing, and analytics," says Forrester in a report titled "Why Agile Matters For Customer Experience" by Joana van den Brink-Quintanilha, July 1, 2014.
- "HCLT continues to attract clients with in-demand Internet of Things (IoT) services and newer offerings such as Digital Systems Integration (DSI)," says TBR.
- HCL was named as a Tier 1 vendor and ranked 8th in Global Software Testing by Nelson Hall (Source: Software Testing Services Assessment and Forecast, September 2014).
- HCL has been positioned in the Major Players category in IDC MarketScape for Worldwide Digital Transformation Consulting and Systems Integration Services 2015. IDC views both the "future offering strategy" and the "future sales and distribution service strategy" of HCL as its greatest strength (IDC # 255870, May 2015).

Engineering and R&D Services

HCL's Engineering and R&D Services (ERS) is the largest Indian Engineering Service Provider (ESP) and works with some of the most innovative and successful organizations in the world. With over two decades of experience of operating in complex multi-vendor environments and customer value chains, it is able to seamlessly integrate into a customer's existing R&D activities.

HCL offers comprehensive, complementary engineering services and solutions in hardware, embedded, mechanical and software product engineering to industry leaders across verticals such as aerospace and defense, automotive, consumer electronics, industrial manufacturing, medical devices, networking and telecom, office automation, semiconductor, server and storage, and software products. It successfully collaborates with other innovation partners, captive centers, universities, industry bodies, and manufacturing partners.

HCL understands that its success as an engineering partner depends on the success of its customers' products and solutions, and believes that business success is the result of phenomenal product experiences. HCL helps product and technology companies drive great engineering experiences to create significant business impact and value through accelerated product launches, improved engineering efficiencies, and the adoption of new and disruptive technologies.

In the past decade, HCL's engineering services have helped more than 300 organizations develop and launch market-leading products and services across various market segments, which has delivered more than

A Snapshot

- Constitutes approximately 18.3% of HCL's revenues
- One of the largest global engineering and R&D services organizations in the world
- Offerings: End-to-end engineering services and solutions in hardware, embedded, mechanical, and software product engineering
- Key differentiator: "Engineering Experiences" [E2]
- Industries served: Aerospace and defense, automotive, consumer electronics, industrial manufacturing, medical devices, networking and telecom, office automation, semiconductor, server and storage, and software products
- Executed faster product development with automated testing processes for the world's largest anti-virus company
- Filed multiple patents in mobility, office automation and banking
- Key Intellectual Properties (IPs): Internet of Things Framework, Platform Acceleration Suite, Product Intelligence, Value Analysis and Value Engineering, App Test Factory, Intelligent Sustenance Engineering, Interactive Electronic Technical Manuals, and Intelligent Tech Support.

\$50 billion in revenues for its customers. Today, it works with more than 50 per cent of the global top 100 R&D companies. Empowered by a deep engineering heritage, out of the box thinking, and a solid foundation of talent, processes, systems, frameworks, and tools, this group is the preferred engineering partner for global companies.

Thought Leadership has become one of the key differentiators as the industry moves up the value chain. The company's engineering services offerings are committed to creation of thought leadership in areas such as Internet of Things, product intelligence, big data analytics, social media, medical devices, gesture technology, and more. HCL encourages bold thinking and disruptive approaches that are needed to help customers outperform in a rapidly changing digital economy.

HCL is constantly pushing the boundaries of technology, and defining new and differentiated ways of offering industrialized engineering services. One such differentiation is the suite of solutions, which packages HCL's best practices, Intellectual Properties (IPs), and accelerated frameworks into service offerings that solve highly critical business problems for customers.

HCL's solutions cater to the engineering needs across product development lifecycles and help a customer address the challenges of accelerated product development to gain a price to benefit ratio and adapt to new technologies. HCL is heavily investing in developing solutions that can help clients quickly impact the overall product ecosystem.

HCL is recognized as a Leader by leading analyst firms across diverse domains, including automotive, consumer electronics, computer peripherals and storage, independent software vendor (ISV), consumer software, medical devices, semiconductor, cloud computing, enterprise mobility, and aerospace and defense R&D. HCL's investments in Engineering Labs (environmental compliance, certification, and benchmarking) and Centers of Excellence (in niche areas such as industrial design, high performance computing, automation, etc.) have resulted in a complete ecosystem of comprehensive engineering services from concept to go to market for customer products and platforms across domains. This group has a strong innovation culture, resulting in IPs and strategic innovations, while leveraging alliances, start-ups and key academic research for co-creation with customers.

Business Services

HCL's Business Services provides next generation BPO services to more than 100 clients across industries.

With over 14,000 professionals working through 34 state-of-the-art delivery centers across India, the USA, Europe, Ireland, UK, Latin America, and the Philippines, HCL leverages its IGDM (Integrated Global Delivery Model) to provide customers with best-in-class services.

HCL is committed to innovation and the creation of business value through its services. The Company provides domain oriented, transformation-led BPO solutions and services to Fortune 500/Global 2000 customers.

Business Services' key strengths are:

- Domain orientation
- Digitalization
- Innovation and improvement focus
- Output/outcome/flexible constructs
- Integrated global delivery model
- Risk and compliance

Building on its Next Gen BPO tenets, HCL has launched EFaaS™ (Enterprise Functions as a Service) - a timely response to the needs of companies looking to reduce the cost of their enterprise functions. By the re-engineering of business processes, the standardization of application platforms, and the creation of shared service centers, HCL's EFaaS™ holistically transforms its clients' enterprise functions while significantly reducing the total cost of operations.

A Snapshot

- Ranked in the Leaders Category of IAOP's 2015 Global Outsourcing 100
- Over 14000 Professions across 34 Global Delivery centers across the world
- Offerings: domain oriented, transformation-led BPO solutions and services to Fortune 500/Global 2000 customers
- IDC has published a vendor profile titled "HCL- Adopting the Enterprise-Function-as-a- Service (EFaaS) Value Proposition to Gain Better Control over Delivering Business Outcomes" by Mukesh Dialani, Research Director, doc #252026, October 2014.
- HCL is recognized as a Star Performer and Major Contender in Capital Markets BPO in Everest's report "Capital Markets BPO Service Provider Landscape with PEAK Matrix™ Assessment 2014" published by Rajesh Ranjan, Partner; Anupam Jain, Practice Director; Manu Aggarwal, Senior Analyst; Amardeep Modi, Analyst, Everest Group, November 2014.

Risks and Concerns**1. Treasury Related Risks****Risk**

The global financial position continues to remain volatile, with wide swings in both directions in all currencies impacting the IT industry. This high volatility is likely to continue in the medium term, with the added complexity of cross -currency movements, particularly in European currencies.

HCL Strategy

As a risk containment strategy, HCL has taken hedges to protect its receivables and forecast revenues against foreign currency fluctuations. This strategy ensures certainty in revenue receipts and also provides safeguards against any unfavourable movements. The treasury department of the Company continues to track the foreign exchange movements and underlying currency exposures and takes advice from financial experts to decide its hedging strategy from time to time.

Further, there is an increased focus on Europe, Asia Pacific and Rest of World for generating business which not only insulates from dependency on a single chosen economy but also ensures that the revenue streams are denominated in multiple currencies, thereby partially de-risking the currency related concerns on revenue receipts & recognition.

2. Employee Related Risks**Risk**

In the IT industry, the ability to execute projects, build and maintain client partnerships and to achieve forecasted operating and financial results are significantly influenced by the organization's success in hiring, training and retaining highly skilled IT professionals. The market continues to be highly competitive for attracting and retaining IT professionals & this is compounded by the ever changing constraints around talent mobility primarily on account of regulatory requirements and also the evolving value propositions for a range of clients across geographies.

HCL Strategy

HCL's culture of Ideapreneurship and its management model of "Employee First, Customer Second" helps it build relationships beyond the contract with its clients - and its people. The company continues to make investments in performance, reward, learning and talent management practices that support the retention of the right talent with the right skills, at the right place, right time and right cost. These practices enhance employee competencies, commitment and contributions.

An enhanced focus on diversity in talent acquisition and fulfillment as well as industrialization of workforce management practices in the global delivery centers leads to enhanced employee engagement, thereby mitigating the above risk.

3. Regulatory and Compliance Risk**Risk**

As HCL is operating in a number of countries and continues to form business entities in new geographies there is an increased risk of non-compliance of the various regulatory requirements that are relevant for its business.

HCL Strategy

HCL has put in place a comprehensive regulatory compliance framework to track regulatory compliance globally and has defined owners for various compliance related activities relevant to each function. Detailed checklists are available with respective process owners to ensure compliance, wherever needed. In addition to this, quarterly compliance certificates are presented to the Board of Directors by the respective function responsible for such compliances, and these are periodically audited by Internal Audit and the Global Compliance function. This helps in creating awareness around the regulatory framework and helps each team focus on various local compliances related aspects being faced by the business entities in the respective countries.

In addition, HCL has established a comprehensive 'Risk & Compliance organization' that provides global analysis, assessment, policy, and governance for risks related to information security, privacy, business continuity, third party engagements and operational activities. HCL's compliance program is not only designed to avoid violations of laws and regulations but also to protect the Company's reputation, employees and customers.

4. Technology Related Risks**Risk**

HCL operates in an ever evolving and dynamic technology environment and it is of utmost importance that the Company continuously reviews and upgrades its technology resources and processes, so as to avoid technological obsolescence.

HCL Strategy

The Company is not dependent on any single technology or platform. HCL has developed competencies in various technologies, platforms and operating environment, and offers a wide range of technology options for its clients to choose from, based on their needs.

HCL leadership provides oversight through the Delivery & Operations Council to ensure that the various Line of Business delivery teams sustain industrialization of processes, frameworks & tools and are supported by requisite technical training.

- The Delivery Assurance team drives the definition and implementation of new practices and frameworks for efficient and effective delivery of products and services.
- The Quality team drives continuous process improvement, so as to align with mature and evolving international process standards and certifications.

- The Tools team identifies, develops and supports the new tools that are deployed and also provides consulting and tools related training to project teams.
- The Talent Development Group supports the Technical Training team (called TechCEED) which focuses on competency enhancement to continually upgrade the technical competency of delivery teams and also manages the Learning Management System.

The Council works closely with the vertical and horizontal Line of Business delivery units to ensure adoption and implementation of the latest technological enhancements in their respective domains. In addition to the in-house training and development initiatives, the Company keeps itself abreast and updated on the contemporary developments in the technology landscape through participation in key technology forums and conferences to continuously evaluate and adopt technology solutions to replace human intervention and dependency.

This construct ensures a consistent and sustained focus on improving quality, productivity and predictability of delivery, governed by six principles – standardization, lean process, tools and automation, creating a pool of skilled people, knowledge management and continuous improvement.

5. Competition Related Risks

Risk

The focus of the Traditional IT service providers is slowly moving towards industry focused business solutions and digital-business enablement. As Companies recognise the critical role of technology as an enabler to their business, the number of in-house technology centres of large enterprises as well as the number of new entrants in the market increases. Since providers with new technologies and cloud-enabled delivery models are further adding to the competition. In regions such as continental Europe, local service providers are on the rise. All this making it imperative for the IT service providers to continuously innovate and adapt to the changing buying behaviour of their consumers.

HCL Strategy

HCL's strategy of focusing on growth, employee-driven innovation and unique positioning in the marketplace has further improved its competitive standing. As the IT market shifts to a 'new normal', HCL focuses on 3 specific areas to meet the buyers changing business needs.

The first area is IT Outsourcing, comprising infrastructure management services, application management services and integrated services, which are together evolving into the "Next-Gen ITO." The second area of play is the 'Internet of Things'. HCL sees a strong role for its Engineering Services in this arena with a full stack of end-to-end offerings. Finally, HCL sees a significant role for Digitalization of its future offerings. This would involve front-to-back digitalization of processes in client organizations. Significant investments are being undertaken in these areas in the form of Co-Innovation Labs, Global Delivery Centers, Information Security,

Leadership and Skills and Digital Marketing.

Further, an employee-driven innovation culture has enabled HCL to drive enhanced customer satisfaction (CSAT) and outgrow the industry. HCL's unique organizational culture of Ideapreneurship has put employees at the forefront of innovation where they ideate and design enhanced solutions to customer challenges.

6. Physical Security

Risk

Risk to human life and assets due to high incidence of terror attacks continue to remain a major risk for companies operating in the third world. The impact would be more on service companies as against manufacturing companies due to manpower intensive business model applicable to IT/ ITeS companies and greater time sensitivity of operations.

HCL Strategy

HCL facilities are organized on a three tier physical security system based on an integrated security design, comprising of security infrastructure, CCTV surveillance, and access control, supported by trained security manpower and robust security procedures. Major efforts are being focused towards upgrading the technology platforms of the physical security infrastructure, thereby facilitating integrated and centralized management of the access control and CCTV management. Enhanced unified security badge system is being conceptualized for implementation across the board to allow better monitoring of staff both during normal operation and also during a disaster scenario. A well-coordinated protective response to diverse security threats is assured through a combination of ERTs (Emergency Response Teams), Facility Evacuation Plans and strengthening of Disaster Recovery and Business Continuity Plans (DR-BCP). These steps minimize the risk to human life and assets and provide a high degree of assurance in continuity of operations with minimal disruptions.

Two pilot projects have recently been launched at Noida Campus to deploy trained canines for periodic patrolling and to deploy trained physically well-built security executives to bolster campus security.

In FY 2015, by means of consolidation of the Company's smaller facilities into well planned and secure campuses, HCL's ability to withstand and recover from deliberate attacks, accidents, or naturally occurring threats or incidents will increase, contributing to improved security and greater resilience.

7. Business Continuity Risk

Risk

HCL is in the business of developing, maintaining, and operating mission-critical business and IT applications and infrastructure for various global customers in multiple industries. Due to the increase in natural calamities, man-made disruptions, and geo-political events, business continuity has emerged as a top business risk. HCL needs to continuously adapt and evolve its continuity planning systems

and make them more sustainable by linking them to operational resiliency.

HCL Strategy

HCL has revamped its Business Continuity Management (BCM) framework to ensure that it meets the continuity and recovery requirements for its employees, assets and business in the event of a disruption. HCL’s BCM framework encompasses emergency response, crisis management, disaster recovery and business continuity all the way through a crisis and its aftermath.

8. Information and Cyber Security Risk

Risk

Both the number of incidents and the severity of cyber security threats are increasing globally and are becoming more widespread. This can put HCL and the client data of risk, in the event that data confidentiality, integrity and availability is compromised, presenting a risk to the success and sustenance of HCL.

HCL Strategy

HCL has revamped its information security priorities with an increased emphasis on cyber security, audits of critical functions/ infrastructure and building awareness across the enterprise. In addition, HCL plans on certifying all delivery locations and revamping the data breach incident management process to include real-time responses to threats and intrusions, to have a robust and streamlined response plan to promote better response coordination and to shorten incident response time.

9. Privacy Risk

Risk

HCL’s collection, use, and transfer of corporate and client information globally, coupled with the dynamic and stringent privacy regulatory landscape, presents an increased risk of non-compliance with privacy related laws as well as damage to brand reputation.

HCL Strategy

HCL is creating an enterprise wide Privacy Framework, which includes governance, policies & procedures, privacy impact assessment, and training. HCL’s Privacy Framework reflects existing and emerging privacy and data protection principles and the policies demonstrate HCL’s commitment to protecting employee and client data.

10. Internal Control Systems and their adequacy

The company has put in place adequate systems of internal control commensurate with its size and the nature of its business. These systems provide a reasonable assurance in respect of financial and operational information, compliance with both applicable statutes, & corporate policies and safeguarding of the assets of the company.

The company has a dedicated Internal Audit team which is commensurate with the size, nature & complexity of the operations of the company. Internal Audit reports functionally to the Audit Committee of the Board of Directors, which reviews and approves the annual risk based internal audit plan. The Audit Committee also

periodically reviews the performance of Internal Audit function.

The company has a rigorous business planning system to set targets and parameters for operations which are reviewed against actual performance to ensure timely initiation of corrective action if required.

PERFORMANCE TREND

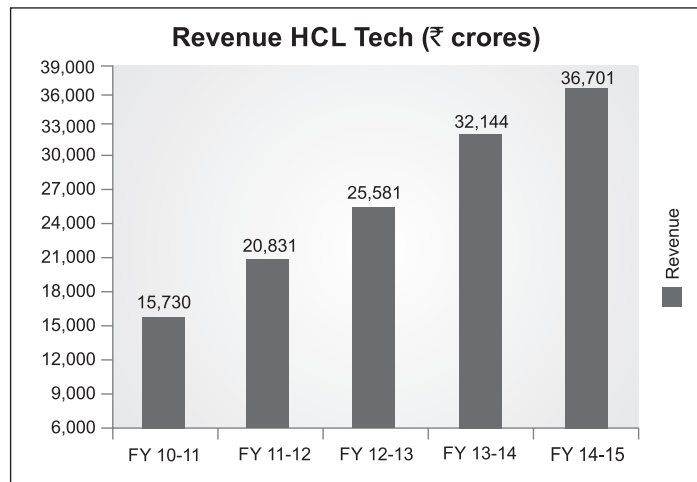
HCL Technologies Limited (HCL) is a leading Company in the IT / ITES space, offering a full array of services to its customers. HCL is a leading provider of innovative customer specific solutions, backed up by best-in-class processes.

In its journey of business success and excellence, HCL has created significant wealth for all its stakeholders.

OPERATIONAL EXCELLENCE

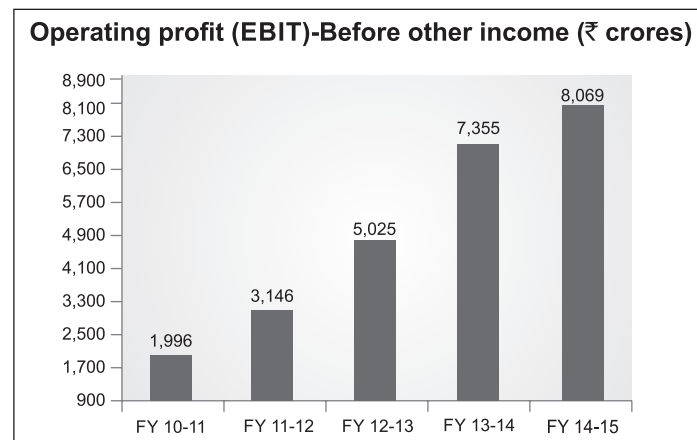
Revenue trend

Revenues grew to a record high of ₹ 36,701 crores (\$ 5.89 billion) in 2014-15, a rise of almost 2.3 times from 2010-11, a compounded annual growth rate (CAGR) of 23.6%.

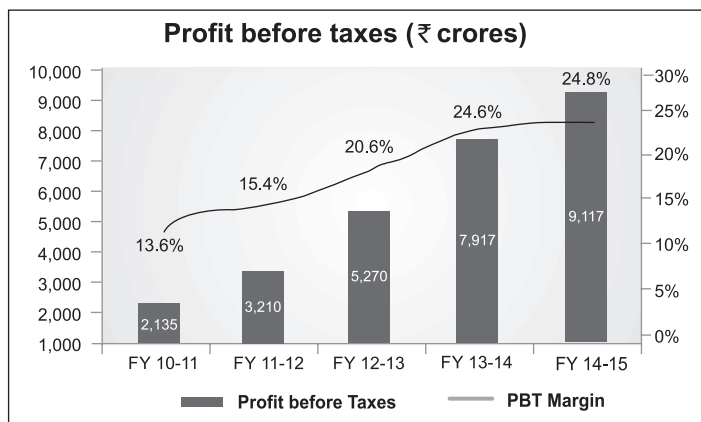


Earnings trends

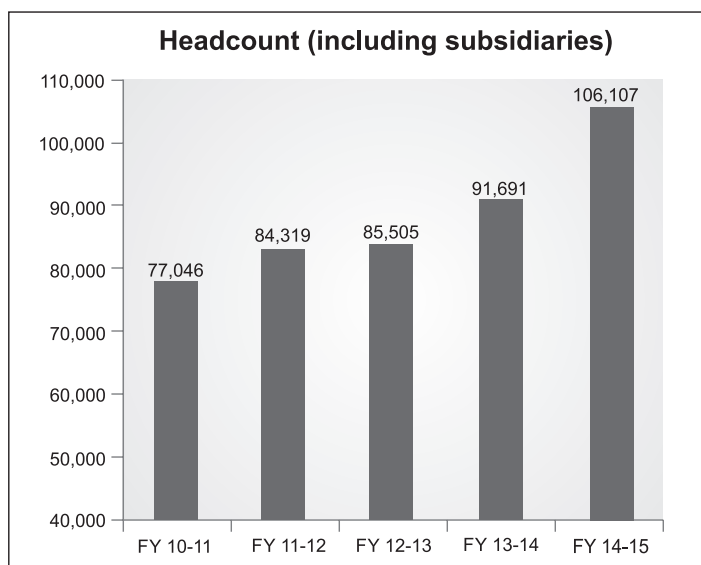
Earnings before interest and tax (EBIT), excluding other income have grown by 4 times from ₹ 1,996 crores in 2010-11 to ₹ 8,069 crores in 2014-15, a compounded annual growth rate (CAGR) of 41.8%.



Profit before tax has increased from ₹ 2,135 crores in 2010-11 to ₹ 9,117 in 2014-15. In percentage of turnover terms, it has increased from 13.6% in 2010-11 to 24.8% in 2014-15.

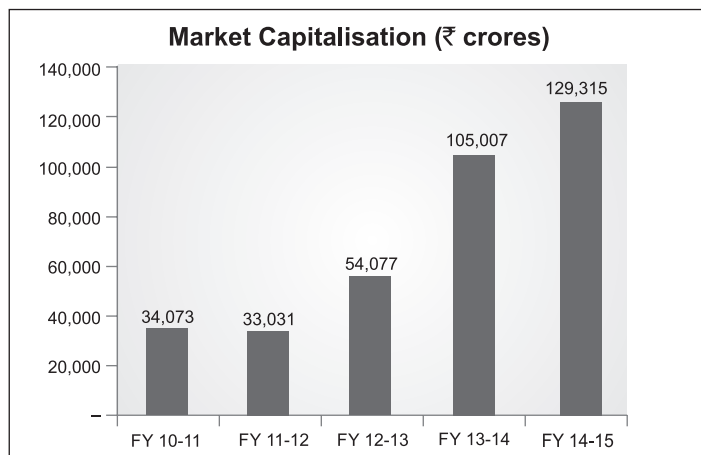


Headcount (including subsidiaries) has expanded by more than 1.4 times from 77,046 in 2010-11 to 106,107 in 2014-15.



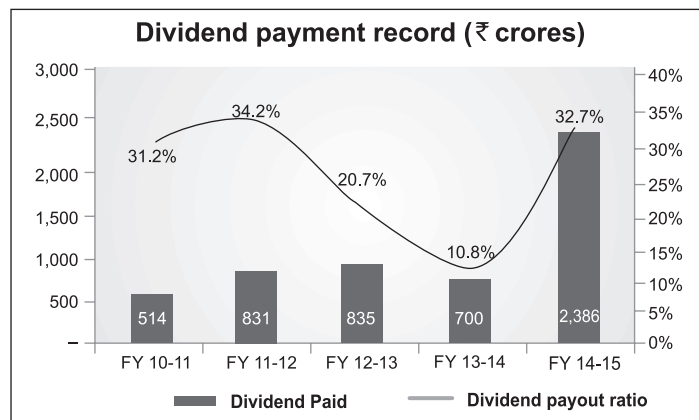
VALUE ADDITION SINCE FISCAL 2010

Market capitalization has increased from ₹ 34,073 crores in fiscal 2010 to ₹ 129,315 crores in fiscal 2015.

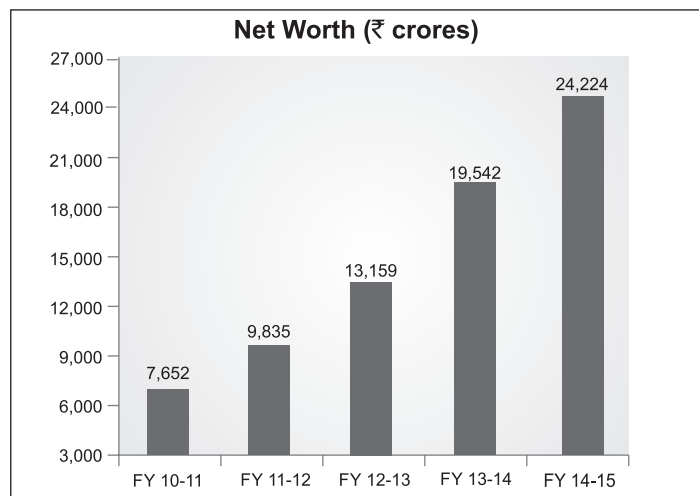


*Market Capitalization based on market rate as on 30 June of the respective financial year.

Dividend (excluding dividend distribution tax) and the payout ratio computed on consolidated profits have remained high. The amount of dividend (in absolute terms) has increased 5 times in the last five years.



The net worth of the Company has more than trebled in the last 5 years.



Customer Centricity

The Company's organizational structure and processes are designed to focus on customers. The ability to understand customers' needs and offer relevant solutions has resulted in significant growth in the number of customers and customers in various revenue bands.

No. of Million Dollar Clients	Number of customers		
	Fiscal 2015	Fiscal 2014	Fiscal 2010
100 Million dollar +	7	6	1
50 Million dollar +	17	15	5
40 Million dollar +	23	18	7
30 Million dollar +	40	37	12
20 Million dollar +	73	67	24
10 Million dollar +	124	114	58
5 Million dollar +	211	187	107
1 Million dollar +	476	429	283

FINANCIAL PERFORMANCE

The financial results of HCL under Indian GAAP are discussed below in two parts.

- Consolidated results of HCL and its subsidiaries, which includes the performance of its subsidiaries, joint ventures and associates. Preparation and presentation of such consolidated financial statements depicts comprehensively the performance of the HCL group of companies and is more relevant for understanding the overall performance of HCL.
- Standalone results of HCL, which excludes the performance of its subsidiaries, joint ventures and associates.

Consolidated results

This part of the Management Discussion and Analysis refers to the consolidated financial statements of HCL ("the Company" or "the Parent Company") and the subsidiaries, joint ventures and associates referred to as "the Group". The discussion should be read in conjunction with the financial statements and related notes to the consolidated accounts of HCL for the year ended 30 June 2015.

Results of Operations (Consolidated):

(₹ in Crores)

Particular	Year Ended June 30				Growth %
	2015	%	2014	%	
Sale of services	35,175	95.8	30,784	95.8	14.3
Sale of hardware and software	1,526	4.2	1,360	4.2	12.3
Total Revenue from Operations	36,701	100.0	32,144	100.0	14.2
Purchase of traded goods	1,306	3.6	921	2.9	41.9
Change in inventories of traded goods	(35)	(0.1)	108	0.3	-
Employee benefit expense	17,726	48.3	14,906	46.4	18.9
Other expenses	9,231	25.2	8,173	25.4	13.0
Depreciation and amortization expense	404	1.1	681	2.1	(40.7)
Total Expenditure	28,632	78.1	24,789	77.1	15.5
Profit before Finance cost Other Income & Tax	8,069	21.9	7,355	22.9	9.7
Finance costs	91	0.2	115	0.4	(20.3)
Other income	1,139	3.1	677	2.1	68.2
Profit before tax	9,117	24.8	7,917	24.6	15.1
Provision for tax	1,815	4.9	1,410	4.4	28.8
Share of profit of associates	40	-	20	-	-
Minority interest	(25)	-	(18)	-	-
Profit after tax	7,317	19.9	6,509	20.2	12.4

Revenues:-

Revenues during fiscal 2015 have grown by 14.2% compared to fiscal 2014.

The Group derives its revenue from three segments viz Software services, IT Infrastructure services and Business Process Outsourcing services.

Segment wise details are given below:

(₹ in Crores)

Particulars	Year Ended June 30				Growth %
	2015	%	2014	%	
Software services	22,179	60.4	19,708	61.3	12.5
IT Infrastructure services	12,825	34.9	11,050	34.4	16.1
Business Process Outsourcing services	1,697	4.7	1,386	4.3	22.6
Total Revenue	36,701		32,144		14.2

Geography wise breakup of revenues

The Group also reviews its business on a geographic basis. The following table classifies total revenue by geographic areas:

(₹ in Crores)

Particulars	Year Ended June 30				Growth %
	2015	%	2014	%	
US	20,140	54.9	16,859	52.4	19.5
Europe	10,065	27.4	9,258	28.8	8.7
India	1,457	4.0	1,488	4.6	(2.1)
Rest of the World	5,039	13.7	4,539	14.2	11.0
Total Revenue	36,701		32,144		14.2

Employee benefits expense:-

(₹ in Crores)

Particulars	Year Ended June 30			
	2015	%	2014	%
Salaries, wages and bonus	15,442	42.1	12,965	40.4
Contribution to provident fund and other employee funds	2,212	6.0	1,843	5.7
Staff welfare expenses	72	0.2	67	0.2
Employee stock compensation expense	-	-	31	0.1
Total	17,726	48.3	14,906	46.4

Employee benefits expense has increased to ₹ 17,726 crores in 2015 from ₹ 14,906 crores in 2014, an increase of 18.9%. The increase is primarily on account of:

- an increase in the number of employees during the year, from a total of 91,691 at the end of fiscal 2014 to 1,06,107 at the end of fiscal 2015 and
- an increase in the average cost per employee due to normal salary revisions.

Other expenses:-

(₹ in Crores)

Particulars	Year Ended June 30			
	2015	%	2014	%
Rent	388	1.1	358	1.1
Power & fuel	265	0.7	242	0.8
Travel and conveyance	1,677	4.6	1,402	4.4
Outsourcing cost	5,097	13.9	4,207	13.1
Communication costs	288	0.8	314	1.0
Recruitment training & development	204	0.6	181	0.6
Exchange differences	-	-	44	0.1
Loss on sale of long term investment in joint venture	13	-	-	-
Others	1,299	3.5	1,425	4.4
Total	9,231	25.2	8,173	25.4

Other expenses increased to ₹ 9,231 crores in fiscal 2015 from ₹ 8,173 crores in fiscal 2014. The increase is mainly on account of increase in outsourcing activities and travel costs, in line with the growth in revenues.

Outsourcing costs include a) outsourcing of several customer related activities e.g. hosting services, facilities management, disaster recovery, maintenance, break fix services etc. in the IT Infrastructure Division and b) hiring of third party consultants from time to time to supplement the in house teams.

Profit before Finance cost, Other Income & Tax

The Group's operating profit has increased to ₹ 8,069 crores in fiscal 2015 from ₹ 7,355 crores in 2014, an increase of 9.7%.

Depreciation and amortization

Depreciation and amortization expense has decreased from ₹ 681 crores in fiscal 2014 to ₹ 404 crores in fiscal 2015. This reduction is partly due to the revision in the useful lives of the assets carried out by the Group with effect from 1st July 2014 due to the reassessment of such useful lives based on technical evaluation.

The existing and revised useful lives are as below:

Category of Assets	Existing Useful Life (Years)	Revised Useful Life (Years)
Buildings	20	20
Plant and machinery (including air conditioners, electrical installations and aircraft)	4-17	10-17
Office Equipments	4	5
Computers	3	4-5
Furniture and fixtures	4	7
Vehicles	5	5

If the Group had continued with the previously assessed useful lives, the charge for depreciation for the year ended 30 June 2015 would have been higher by ₹ 238 crores, relating to the assets held as at 1st July 2014.

Other Income

The details of Other Income are as follows:

(₹ in Crores)

Particulars	Year Ended June 30	
	2015	2014
Interest income	814	545
Profit on sale of current investments	37	58
Exchange differences	73	-
Profit on sale of fixed assets	156	48
Provisions no longer required written back	40	-
Others	19	26
Total	1,139	677

Interest income increased from ₹ 545 crores in fiscal 2014 to ₹ 814 crores in fiscal 2015, due to the increase in the pool of treasury investments resulting from enhanced cash flows.

During the year, the Group has sold certain properties at a gross consideration of ₹ 180 crores and has recognized a gain of ₹ 153 crores on such sales.

Exchange differences

The Group derives over 96% of its revenues in foreign currencies whereas over 70% of its costs are incurred in INR. This exposes the Group to risks of adverse variations in foreign currency exchange rates.

Exchange rates for major currencies with respect to INR are given below:-

Average Rate	USD	GBP	EURO	AUD
For the year ended June 30,2015	62.27	97.83	73.97	51.35
For the year ended June 30,2014	61.53	100.47	83.69	56.24
Depreciation/ (Appreciation) (%)	1.2%	(2.6%)	(11.6%)	(8.7%)
Period Ended	USD	GBP	EURO	AUD
As at June 30,2015	63.65	100.05	71.18	48.92
As at June 30,2014	60.19	102.63	82.21	56.56
Depreciation/ (Appreciation) (%)	5.8%	(2.5%)	(13.4%)	(13.5%)

The Group uses foreign exchange forward contracts and options to mitigate the risk of movements in foreign exchange rates associated with receivables and forecast transactions in certain foreign currencies. During the current fiscal year, the Group had an exchange gain of 73 crores compared to a loss of ₹ 44 crores during the previous fiscal year. These exchange differences are on account of forward covers being marked to market and the restatement of foreign currency assets and liabilities.

The Group follows cash flow hedge accounting in respect of forward covers and options to hedge the foreign exchange risks related to the forecast revenues. Exchange gain (loss) arising on such forward covers, where a hedged transaction has occurred during the year, has been included under 'revenue' and changes in the fair value of derivatives (net of tax), that are designated and effective as hedges of future cash flows as on the balance sheet date, are recognized directly in the hedging reserve account under 'Shareholders Funds'. Total unrealized exchange loss (net of tax) recognized in the hedging reserve account as at 30 June, 2015 is ₹ 41 crores as compared to a loss of ₹ 210 crores as at 30 June, 2014.

TAXATION

The tax expense for 2015 was ₹ 1,815 crores compared to ₹ 1,410 crores in 2014. Tax expense as a percentage of profit before tax has increased from 17.8% in the prior year to 19.9% in fiscal 2015.

FINANCIAL POSITION

Share capital:-

During the year, authorized share capital has increased to ₹ 300 crores from ₹ 150 crores in previous year, divided into 1,500,000,000 equity shares of ₹ 2 each. The issued, subscribed and paid-up capital stood at ₹ 281.20 crores as at 30 June 2015.

During the year ended 30 June 2015, pursuant to the approval of the shareholders through postal ballot on 10 March 2015, a sum of ₹ 140.57 crores was capitalized from the securities premium account for issuance of 702,847,961 bonus shares of ₹ 2/- each fully paid-up and these bonus shares were allotted by the Company on 21 March 2015. The said bonus shares were issued in the proportion of 1 equity share for every 1 equity share of ₹ 2/- each held by the equity shareholders of the Company on the record date of 20 March 2015.

Further, employees exercised their options for 407396, 668576 and 2078104 equity shares under the employee's stock options plans 1999, 2000 and 2004 respectively. Accordingly, the issued, subscribed and paid up capital increased by 6,025,656 equity shares and share capital increased by ₹ 0.63 crores during the year.

Reserve and Surplus:-

Consolidated reserves and surplus of the Group stood at ₹ 23,943 crores as at 30 June 2015 (earlier year ₹ 19,402 crores).

Borrowings:-

The Group had outstanding borrowings of ₹ 648 crores as at 30 June 2015 (earlier year ₹ 1,018 crores). Borrowings have decreased on account of repayment of the 8.80% secured redeemable non-convertible debentures of ₹ 500 crores during the year.

Fixed Assets:-

The Group has added of ₹ 1,180 crores during 2015 to the gross block of fixed assets which mainly comprises computers, software, office equipments and investment in facilities. Gross block of fixed assets as at the end of fiscal 2015 stood at ₹ 12,343 crores and capital work - in- progress stood at ₹ 552 crores (earlier year ₹ 11,374 crores and ₹ 531 crores respectively).

The Group is in the process of developing facilities in its campuses at NOIDA, Chennai and Bangalore. These campuses are spread over a combined area of 127 acres. 44,207 seats have already become operational at these campuses and 8,729 seats are under development. All these campuses are approved SEZ locations.

Treasury Investments:-

The guiding principles of the Group's treasury investments are safety, liquidity and return. The Group has efficiently managed its surplus funds through careful treasury operations.

The Group deploys its surplus funds in fixed deposits with banks and HDFC Limited and debt mutual funds, with a limit on investments with any individual bank/fund.

(₹ in crores)

Particulars	2015	2014
Debt Mutual Funds	763	394
Bonds	-	212
Fixed Deposits with Banks	8,448	7,780
Inter corporate deposits with HDFC Limited	1,193	571
Total	10,404	8,957

Current Liabilities:

Current liabilities have increased by ₹ 703 crores (₹ 9,242 crores in fiscal 2014 to ₹ 9,945 crores in fiscal 2015); the increase is mainly on account of:-

- Increase in liability by ₹ 130 crores related to capital accounts payable (₹ 289 crores in fiscal 2015 and ₹ 159 crores in fiscal 2014).
- Increase in liability by ₹ 155 crores related to income received in advance (₹ 955 crores in fiscal 2015 and ₹ 801 crores in fiscal 2014). Income received in advance represents billings to customers not recognized as revenue.
- Increase in liability for expenses by ₹ 229 crores (₹ 2,356 crores in fiscal 2015 and ₹ 2,127 crores in fiscal 2014).
- Increase in accounts payable by ₹ 157 crores (₹ 625 crores in fiscal 2015 and ₹ 468 crores in fiscal 2014).
- Increase in liability related to employee benefits by ₹ 393 crores (₹ 2,146 crores in fiscal 2015 and ₹ 1,753 crores in fiscal 2014).

- f) Decrease in current maturities of long term debt by ₹ 487 crores, due to redemption of 8.80% secured redeemable debentures of ₹ 500 crores during the year.
- g) Advance of ₹ 180 crores received during the previous year for sale of building has been adjusted against sale consideration of properties upon consummation of the sale.

Current Assets:

Current assets, excluding treasury investments, and cash and bank balances increased by ₹ 1,960 crores (₹ 9,345 crores in fiscal 2014 to ₹ 11,305 crores in fiscal 2015); the increase is mainly on account of increase in trade receivables by ₹ 856 crores, unbilled receivables by ₹ 890 crores and deferred cost by ₹ 229 crores.

CASH FLOW

A summary of the cash flow statement is given below:

(₹ in crores)

Particulars	2015	2014
Cash and cash equivalents at the beginning of the year	1,027	721
Net cash generated from operating activities	5,539	6,456
Net cash flows used in investing activities	(2,013)	(4,840)
Net cash flows used in financing activities	(3,140)	(1,308)
Effect of exchange differences on cash and cash equivalents held in foreign currency	(74)	(2)
Cash and cash equivalents at the end of the period	1,339	1,027

Cash flow from operations

(₹ in crores)

Particulars	2015	2014
Operating profit before working capital changes	8,501	8,146
Effect of working capital changes	(1,188)	(244)
Cash generated from operations	7,313	7,902
Tax payments made	(1,774)	(1,445)
Net cash generated from operating activities	5,539	6,457

Cash flow from investing activities

(₹ in crores)

Particulars	2015	2014
Purchase of fixed assets (net)	(1,201)	(479)
Sale/ (purchase) of investments	(682)	245
Investment in deposits (net) with banks	(668)	(4,923)
Investment in limited liability partnership	(10)	-
Proceeds from sale of stake in joint venture	10	-
Dividend received from joint venture	6	-
Interest and dividend income	805	501
Taxes paid	(273)	(184)
Net cash used in investing activities	(2,013)	(4840)

In fiscal 2015 the Group used ₹ 2,013 crores for investing activities (₹ 4,840 crores in fiscal 2014). The significant items of investing activities were purchase of fixed assets, inter corporate deposits and investment in fixed deposits:-

- Fixed deposits with banks (net) of ₹ 668 crores have been invested in fiscal 2015 (₹ 4,923 crores in fiscal 2014).
- The Group used ₹ 1,201 crores for purchase of fixed assets during the year (₹ 479 crores in fiscal 2014).
- Interest on deposits and dividends on investment in mutual funds received in fiscal 2015 of ₹ 805 crores (₹ 501 crores in fiscal 2014).
- During the year, the Group invested ₹ 10 crores in a limited liability partnership.
- During the year, the Group sold its 49% stake in the joint venture "Axon Puerto Inc" at a gross consideration of ₹10 crores and has recognized a loss of ₹13 crores.
- Dividend received from the joint venture during the year is ₹ 6 crores.

Cash flow from financing activities

(₹ in crores)

Particulars	2015	2014
Proceeds from issue of share capital	10	34
Repayment of 8.80% Secured redeemable non convertible debentures	(500)	-
Dividend paid (including dividend distribution tax)	(2,824)	(1,303)
Proceeds from borrowings (net)	224	51
Interest paid	(23)	(54)
Principal payment for finance lease obligations	(27)	(36)
Net cash used in financing activities	(3,140)	(1,308)

In fiscal 2015 the Group used ₹ 3,140 crores in financing activities (₹ 1,308 crores in fiscal 2014). The significant items of investing activities are:-

- Payment of dividends including taxes ₹ 2,824 crores (₹ 1,303 crores in fiscal 2014).
- Repayment of 8.80% Secured redeemable non convertible debentures of ₹ 500 crores.

Standalone Results

Standalone results of HCL, which excludes the performance of its subsidiaries, joint ventures and associates.

The discussion in the paragraphs which follow should be read in conjunction with the financial statements and related notes relevant to the standalone results of HCL Technologies Limited (herein referred to as "HCL" or "the Company") for the year ended 30 June 2015.

RESULTS OF OPERATIONS (STANDALONE)

(₹ in Crores)

Particulars	Year Ended June 30				Growth %
	2015	%	2014	%	
Sale of Services	16,838	98.2	16,015	97.1	5.1
Sale of hardware and software	315	1.8	482	2.9	(34.7)
Revenue from operations	17,153	100.0	16,497	100.0	4.0
Purchase of traded goods	364	2.1	345	2.1	5.3
Change in inventories of traded goods	(66)	(0.4)	65	0.4	-
Employee benefit expenses	5,924	34.6	5,124	31.1	15.6
Other expenses	4,071	23.8	3,652	22.1	11.5
Depreciation and amortization expense	300	1.7	491	3.0	(38.9)
Total Expenditure	10,593	61.8	9,677	58.7	9.5
Profit before finance cost, other income & tax	6,560	38.2	6,820	41.3	(3.8)
Finance costs	60	0.4	82	0.5	(25.7)
Other income	1,199	7.1	659	4.0	82.0
Profit before tax	7,699	44.9	7,397	44.8	4.1
Provision for tax	1,353	7.9	1,413	8.5	(4.3)
Profit for the year	6,346	37.0	5,984	36.3	6.0

FISCAL 2015 COMPARED TO FISCAL 2014
Revenues:-

Revenues during fiscal 2015 have grown by 4% compared to fiscal 2014.

The Company derives its revenue from three segments viz Software services, IT Infrastructure services and Business Process Outsourcing services.

Segment wise details are given below:

(₹ in Crores)

Particulars	Year Ended June 30				Growth %
	2015	%	2014	%	
Software services	10,457	61.0	10,143	61.5	3.1
IT Infrastructure services	5,693	33.2	5,478	33.2	3.9
Business Process Outsourcing services	1,003	5.8	876	5.3	14.5
Total Revenue	17,153		16,497		4.0

Employee benefits expense:-

(₹ in Crores)

Particulars	Year Ended June 30			
	2015	%	2014	%
Salaries, wages and bonus	5,669	33.1	4,861	29.5
Contribution to provident fund and other funds	212	1.2	194	1.2
Staff welfare expenses	43	0.3	38	0.2
Employee stock compensation expense	-	-	31	0.2
Total	5,924	34.6	5,124	31.1

Employee benefits expense has increased to ₹ 5,924 crores in 2015 from ₹ 5,124 crores in 2014, an increase of 15.6%. The increase is primarily on account of:

- an increase in the number of employees during the year from a total of 73,528 at the end of fiscal 2014 to 83,115 at the end of fiscal 2015 and
- an increase in the average cost per employee due to normal salary revisions.

Other expenses:-

(₹ in Crores)

Particulars	Year Ended June 30			
	2015	%	2014	%
Rent	212	1.2	207	1.3
Power & fuel	219	1.3	205	1.2
Travel and conveyance	797	4.6	700	4.2
Communication costs	113	0.8	118	0.7
Recruitment training & development	97	0.6	76	0.5
Exchange differences	-	-	12	0.1
Outsourcing cost	1,966	11.5	1,619	9.8
Others	667	3.8	715	4.3
Total	4,071	23.8	3,652	22.1

Other expenses have increased to ₹ 4,071 crores in 2015 from ₹ 3,652 crores in 2014, an increase of 11.5%, mainly on account of increase in outsourcing activities and travel.

Profit before Interest, Other Income & Tax

The Company's operating profit has decreased to ₹ 6,560 crores in fiscal 2015 from ₹ 6,820 crores in 2014, a decrease of 3.8 % mainly due to the conclusion of an advance pricing agreement with the local tax authorities in one of the foreign subsidiaries during the previous year.

Depreciation and amortization

Depreciation and amortization expense has decreased from ₹ 491 crores in fiscal 2014 to ₹ 300 crores in fiscal 2015. This reduction is partly due to the revision in the useful lives of the assets carried out by the Company with effect from 1st July 2014 due to a reassessment of such useful lives based on technical evaluation.

The existing and revised useful lives are as below:

Category of Assets	Existing Useful Life (Years)	Revised Useful Life (Years)
Buildings	20	20
Plant and machinery (including air conditioners, electrical installations)	4-5	10
Office Equipments	4	5
Computers	3	4-5
Furniture and fixtures	4	7
Vehicles	5	5

If the Company had continued with the previously assessed useful lives, the charge for depreciation for the year ended 30 June 2015 would have been higher by ₹ 190 crores, relating to the assets held as at 1st July 2014.

Other Income

The details of other income are as follows:-

(₹ in Crores)

Particulars	Year Ended June 30	
	2015	2014
Interest income	796	533
Dividend from subsidiary companies	78	25
Profit on sale of current investments	34	50
Profit on sale of fixed assets	97	48
Exchange differences	125	-
Provisions no longer required written back	48	-
Others	21	3
Total	1,199	659

Interest income increased from ₹ 533 crores in fiscal 2014 to ₹ 796 crores in fiscal 2015 due to an increase in the pool of treasury investments resulting from enhanced cash flows.

During the year, the Company had sold certain properties at a gross consideration of ₹ 108 crores and has recognized a gain of ₹ 94 crores on such sales.

Exchange differences

The Company derives almost its entire revenues in foreign currencies while almost all its costs are incurred in INR. This exposes the Company to the risk of adverse variations in foreign currency exchange rates. The Company uses foreign exchange forward contracts and options to mitigate the risk of movements in foreign exchange rates associated with receivables and forecast transactions in certain foreign currencies. During the current fiscal year, the Company had an exchange gain of ₹ 125 crores compared to a loss of ₹ 12 crores in the previous year. These exchange gains are on account of forward covers marked to market and restatement of foreign currency assets and liabilities.

The Company follows cash flow hedge accounting in respect of forward covers and options taken to hedge the foreign exchange risks related to the forecast revenues. Exchange gain (loss) arising on such forward covers, where a hedged transaction has occurred during the year, has been included under 'revenue' and changes in the fair value of derivatives (net of tax), that are designated and effective as hedges of future cash flows as on the balance sheet date, are recognized directly in the hedging reserve account under 'shareholders funds'. Total unrealized exchange loss (net of tax) recognized in the hedging reserve account as at 30 June, 2015 is ₹ 41 crores as compared to ₹ 210 crores as at 30 June, 2014.

Taxation:-

The net tax expense for 2015 was ₹ 1,353 crores compared to ₹ 1,413 crores in 2014. Tax expense as a % of profit before tax was 17.6% for fiscal 2015 as compared to 19.1% in fiscal 2014.

FINANCIAL POSITION

Borrowings:-

The Company had outstanding borrowings of ₹ 41 crores as at 30 June 2015 (earlier year ₹ 569 crores). Borrowings have decreased on account of repayment of the 8.80% secured redeemable non-convertible debentures of ₹ 500 crores during the year.

Fixed Assets:-

The Company has made additions of ₹ 936 crores during 2015 in the gross block of fixed assets which mainly comprises computers, software, office equipments and investment in facilities. Gross block of fixed assets as at the end of fiscal 2015 stood at ₹ 5,687 crores and capital work-in-progress stood at ₹ 544 crores (earlier year ₹ 4,921 crores and ₹ 518 crores respectively).

Treasury Investments:-

The guiding principles for the Company's treasury investments are safety, liquidity and return. The Company has efficiently managed its surplus funds through careful treasury operations.

The Company deploys its surplus funds primarily in fixed deposits with banks and HDFC Limited and debt mutual funds, with a limit on investments with any individual fund/bank.

(₹ in crores)

Particulars	2014	2013
Debt Mutual Funds	625	344
Bonds	-	212
Fixed Deposits with Banks	8,397	7,671
Inter corporate deposits with HDFC Limited	1,193	564
Total	10,215	8,791

CASH FLOWS

A summary of the cash flow statement is given below:

(₹ in crores)

Particulars	2014	2013
Cash and cash equivalents at the beginning of the year	241	156
Net cash generated from operating activities	5,335	6,147
Net cash flows used in investing activities	(1,763)	(4,655)
Net cash flows used in financing activities	(3,360)	(1,398)
Effect of exchange differences on cash and cash equivalents held in foreign currency	(20)	(9)
Cash and cash equivalents at the end of the period	433	241

Cash flow from operations

(₹ in crores)

Particulars	2014	2013
Operating profit before working capital changes	6,970	7,389
Effect of working capital changes	(185)	(8)
Cash generated from operations	6,785	7,381
Tax payments made	(1,450)	(1,234)
Net cash generated from operating activities	5,335	6,147

Cash flow from investing activities

(₹ in crores)

Particulars	2014	2013
Purchase of fixed assets (net)	(1,052)	(437)
Sale/ (purchase) of investments	(664)	52
Investments of deposits (net) with banks	(726)	(5,017)
Proceeds from redemption of preference shares	59	-
Proceeds from repayment of loans given to subsidiaries	-	414
Interest and dividend income	889	513
Taxes paid	(269)	(181)
Net cash used in investing activities	(1,763)	(4,656)

In fiscal 2015 the Company used ₹ 1,763 crores for investing activities (₹ 4,656 crores in fiscal 2014). The significant items of

investing activities were purchase of fixed assets, inter corporate deposits and investment in fixed deposits:-

- Fixed deposits with banks (net) of ₹ 726 crores have been invested in fiscal 2015 (₹ 5,017 crores in fiscal 2014).
- The Company used ₹ 1,052 crores for purchase of fixed assets during the year (₹ 437 crores in fiscal 2014).
- Interest on deposits and dividends on investment in mutual funds received in fiscal 2015 of ₹ 889 crores (₹ 513 crores in fiscal 2014).

Cash flow from financing activities

(₹ in crores)

Particulars	2015	2014
Proceeds from issue of share capital	10	34
Repayment of 8.80% Secured redeemable non convertible debentures	(500)	-
Dividend paid (including dividend distribution tax)	(2,824)	(1,303)
Repayment of borrowings (net)	(28)	(56)
Interest paid	(18)	(73)
Net cash used in financing activities	(3,360)	(1,398)

In fiscal 2015 the Company used ₹ 3,360 crores in financing activities (₹ 1,398 crores in fiscal 2014). The significant items of investing activities are:-

- Payment of dividends including taxes ₹ 2,824 crores (₹ 1,303 crores in fiscal 2014).
- Repayment of 8.80% Secured redeemable non convertible debentures of ₹ 500 crores.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have immense pleasure in presenting the **Twenty Third Annual Report** together with the audited financial statements for the year ended June 30, 2015.

1. FINANCIAL RESULTS

Key highlights of the financial results of your Company for the year ended June 30, 2015 are as under:

(₹ in crores)

Particulars	Consolidated		Standalone	
	2015	2014	2015	2014
Total Income	37,840.68	32,821.06	18,352.94	17,156.49
Total Expenditure	28,723.62	24,903.73	10,654.40	9,758.83
Profit before tax	9,117.06	7,917.33	7,698.54	7,397.66
Provision for tax	(1,815.11)	(1,409.57)	(1,352.59)	(1,413.04)
Share of profit of associates	39.90	20.06	-	-
Share of profit of minority interest	(24.78)	(18.31)	-	-
Profit for the period	7,317.07	6,509.51	6,345.95	5,984.62
Balance in Statement of Profit and Loss brought forward	13,301.04	8,305.19	11,068.08	6,597.12
Transfer from debenture redemption reserve due to redemption of debentures	500	-	500	-
Amount available for appropriation	21,118.11	14,814.70	17,914.03	12,581.74
Appropriations				
Dividend and Corporate dividend tax	2,824.86	813.66	2,824.86	813.66
Transfer to general reserve	650	600.00	650	600.00
Transfer to debenture redemption reserve	-	100.00	-	100.00
Balance carried forward to the balance sheet	17,643.25	13,301.04	14,439.17	11,068.08

2. RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

On a standalone basis, the Company achieved revenue of ₹ 18,352.94 crores in the financial year 2014-15 as compared to ₹ 17,156.49 crores in the financial year 2013-14, registering a growth of 6.97%. The profit for the financial year 2014-15 is ₹ 6,345.95 crores as compared to ₹ 5,984.62 crores in financial year 2013-14, registering a growth of 6.04%.

On a consolidated basis, the Company achieved revenue of ₹ 37,840.68 crores in the financial year 2014-15 as compared to ₹ 32,821.06 crores in the financial year 2013-14, registering a growth of 15.29%. The profit for the financial year 2014-15 is ₹ 7,317.07 crores as compared to ₹ 6,509.51 crores in financial year 2013-14, registering a growth of 12.41%.

The state of affairs of the Company is presented as part of Management Discussion and Analysis Report forming part of this Report.

In accordance with the Companies Act, 2013 ("the Act") and Accounting Standard (AS) - 21 on Consolidated Financial Statements read with AS-23 on Accounting for Investments in Associates and AS-27 on Financial Reporting of Interests in Joint Ventures, the audited consolidated financial statement is provided in the Annual Report.

3. DIVIDEND

During the year, your directors had declared and paid four interim dividends as per the details given below:

S. No.	Interim dividend paid during the year ended June 30, 2015	Rate of dividend per share (face value of ₹ 2 each)	Amount of dividend paid	Dividend Distribution tax paid by the Company	Total Outflow
				(₹ in crores)	
1.	1 st Interim Dividend	₹ 12	840.57	136.60	977.17
2.	2 nd Interim Dividend	₹ 6	420.80	82.65	503.45
3.	3 rd Interim Dividend	₹ 8	561.94	105.55	667.49
4.	4 th Interim Dividend	₹ 4	562.28	114.47	676.75
	Total		2,385.59	439.27	2,824.86

The Board of Directors in its meeting held on August 3, 2015, has declared an interim dividend of ₹ 5 per equity share of face value of ₹ 2 each for the year 2015-16. The Directors did not recommend final dividend for the year ended June 30, 2015.

4. TRANSFER TO RESERVES

For the year ended June 30, 2015, on a standalone basis, your Company has transferred ₹ 650 crores to the General Reserve Account. The balance amount of ₹ 500 crores in the Debenture Redemption Reserve Account has been transferred back to the Statement of Profit and Loss on account of redemption of debentures.

5. CHANGES IN CAPITAL STRUCTURE

Bonus Shares

During the year, 70,28,47,961 equity shares of ₹ 2 each fully paid-up were issued as Bonus shares by way of capitalization of a sum of ₹ 140,56,95,922 from the Securities Premium Account of the Company for issue of bonus shares in the proportion of one equity share for every one equity share held by the equity shareholders of the Company on the record date of March 20, 2015.

Shares allotted under Employees Stock Option Plans

During the year, the Company allotted 31,54,076 equity shares of ₹ 2 each fully paid up under its Employees Stock Option Plans.

Issued and Paid-up share capital as on June 30, 2015

As on June 30, 2015, the issued, subscribed and paid-up share capital of the Company was ₹ 2,81,19,56,836 divided into 1,40,59,78,418 equity shares of face value of ₹ 2 each.

6. DEBENTURES

During the year, the Company has redeemed the outstanding debentures worth ₹ 500 crores. The details of the debentures issued and redeemed are given below:

Date of Issue	Amount (₹ in crores)	Coupon Rate (Payable quarterly)	Maturity Date	Redeemed on
August 25, 2009	170	7.55%	August 25, 2011	August 25, 2011
August 25, 2009	330	8.20%	August 25, 2012	August 25, 2012
September 10, 2009	500	8.80%	September 10, 2014	September 10, 2014

The debentures were secured by way of mortgage(s) and/ or charges on the specific movable / immovable properties of the Company whether existing / future. The charges have since been released. The Company has paid the interest due on these debentures on time and nothing is payable as on date.

7. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report, in terms of Clause 49 of the Listing Agreement, is attached and forms part of this Report.

8. SUBSIDIARIES

As on June 30, 2015, the Company has 73 subsidiaries and 3 associate companies. There has been no material change in the nature of the business of the subsidiaries.

As per the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries (which includes associate companies and joint ventures) in Form AOC-1 is attached to the financial statements of the Company.

As per the provisions of Section 136 of the Act, the financial statements of the Company, standalone and consolidated along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company. The Company would provide the annual accounts of the subsidiaries and the related detailed information to the shareholders of the Company on specific request made to it in this regard by the shareholders.

During the year, the Company had incorporated the following step down subsidiaries:-

S.No.	Name	Country of Incorporation
1.	HCL Technologies Columbia S A S	Columbia
2.	HCL Technologies Middle East FZ- LLC	United Arab Emirates
3.	HCL Technologies Italy S.p.A.	Italy
4.	HCL Istanbul Bilisim Teknolojileri Limited Sirketi	Turkey
5.	HCL Technologies Greece Single Member P.C.	Greece
6.	HCL Technologies, SA	Venezuela
7.	HCL Technologies (Beijing) Co., Ltd	China
8.	HCL Technologies Luxembourg S.a.r.l	Luxembourg
9.	HCL Technologies Egypt Ltd	Egypt
10.	HCL Technologies (Thailand) Limited	Thailand
11.	HCL Technologies Estonia OU	Estonia

In addition to the above, HCL Foundation was incorporated as a wholly-owned subsidiary of the Company on December 30, 2014 under Section 8 of the Act with the sole objective of undertaking Corporate Social Responsibility activities.

The Company has entered into a Joint Venture (JV) agreement with Computer Sciences Corporation (CSC) and in terms of the said JV agreement two new companies viz., Celeriti Solutions Limited (in which the Company will hold 51% shareholding) and Celeriti Software and Services Limited (in which the Company will hold 49% shareholding) have been incorporated in UK. In terms of another JV agreement with CSC, a step-down subsidiary of the Company viz. HCL Joint Venture Holdings Inc. has been incorporated in USA.

As on June 30, 2015, the Company and its subsidiaries had 15 branches. Subsequent to June 30, 2015, the subsidiary of the Company in Dubai has set up one branch in mainland Dubai.

Axon Solutions Inc., a step down subsidiary of the Company (Axon Solutions) held 49% shares of a Joint Venture Company, Axon Puerto Rico, Inc. (JV). During the year, the entire shareholding held by Axon Solutions in the JV was sold to the Joint Venture partner for cash consideration.

Bywater Limited, a step down subsidiary of the Company which was not in operations was closed w.e.f. January 13, 2015.

HCL BPO Services (NI) Limited, a step down subsidiary of the Company, undertook restructuring of its operations. As part of this exercise, the business, assets and liabilities relating to business process outsourcing and other related IT services in Northern Ireland were sold for a cash consideration to Axon Solutions Limited, which is another step down subsidiary of the Company.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors consists of nine members, of which six are Independent Directors. The Board also comprises of two women Directors.

Pursuant to Section 149 of the Act, Mr. Amal Ganguli (DIN 00013808), Mr. Keki Mistry (DIN 00008886), Mr. Ramanathan Srinivasan (DIN 00575854), Ms. Robin Ann Abrams (DIN 00030840), Dr. Sosale Shankara Sastry (DIN 05331243) and Mr. Subramanian Madhavan (DIN 06451889) were appointed as Independent Directors of the Company in the Annual General Meeting (AGM) held on December 4, 2014.

The Independent Directors were appointed for a tenure starting from December 4, 2014 and ending on the date of AGM for the year ending March 31, 2019. However, the tenure shall not go beyond December 3, 2019. The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Act. The Independent Directors have furnished the certificate of independence stating that they meet the criteria of independence as mentioned under Section 149 (6) of the Act and Clause 49 of the Listing Agreement.

Mr. Srikant Madhav Datar (DIN 01893883), Director of the Company retired at the AGM of the Company held on December 4, 2014 and it was resolved not to fill the vacancy so caused.

The appointment of Mr. Shiv Nadar as the Managing Director of the Company for a period of five years from February 1, 2012 to January 31, 2017 was approved by the shareholders of the Company under the provisions of the erstwhile Companies Act, 1956. The provisions of the Act, which became effective from April 1, 2014, required that the Managing Director who has

attained the age of 70 years, during his tenure, shall continue the employment as the Managing Director only with the approval of the members of the Company by way of a special resolution. Accordingly, approval of the members was obtained for Mr. Shiv Nadar to continue as the Managing Director of the Company, beyond the age of 70 years, through special resolution passed in the AGM of the Company held on December 4, 2014.

As per the provisions of Section 152 (6) of the Act, Mr. Sudhindar Krishan Khanna (DIN 01529178) shall retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment as the Director of the Company.

As per the provisions of Section 203 of the Act, which came into effect from April 1, 2014, your Board of Directors noted the following persons as the Key Managerial Personnel:

- Mr. Shiv Nadar, Managing Director,
- Mr. Anant Gupta, Chief Executive Officer,
- Mr. Anil Kumar Chanana, Chief Financial Officer and
- Mr. Manish Anand, Company Secretary

The Policies of the Company, in regard to: a) Policy for selection of Directors and determining Director's independence; and b) Remuneration Policy for Directors, Key Managerial Personnel and other employees are provided in the Corporate Governance Report forming part of this Report.

10. NUMBER OF MEETINGS OF THE BOARD

During the year, four meetings of the Board were held. The details of the meetings are provided in the Corporate Governance Report forming part of this Report.

11. FAMILIARIZATION PROGRAMME

The details of familiarization programme have been provided under the Corporate Governance Report forming part of this Report.

12. BOARD EVALUATION

The Nomination and Remuneration Committee (NRC) of the Company approved checklists for evaluation of performance of the Board, the Committees of the Board and the individual Directors. NRC evaluated the performance of individual directors.

In terms of the provisions of the Act and Clause 49 of the Listing Agreement, the Board of Directors carried out an annual evaluation of its own performance, the performance of the Board Committees and the individual directors by using the checklists approved by NRC.

The Board also evaluated the performance of its own and of its committees on the basis of the criteria such as the composition of Board and committees, structure and composition, effectiveness of processes, information and functioning, etc.

In a separate meeting of the Independent Directors, performance of the Non-Independent Directors, the Board as a whole and the Chairman were evaluated.

13. AUDITORS

M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, were appointed as the Statutory Auditors of your Company in the last Annual General Meeting held on December 4, 2014 for a term of five years until the conclusion of the Twenty Seventh AGM of the Company to be held in the year 2019. As per the provisions of Section 139 of the Act, the appointment of the Statutory Auditors is required to be ratified by Members at every Annual General Meeting. Accordingly, the appointment of M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company, shall be placed for ratification by the Members in the ensuing Annual General Meeting. In this regard, the Company has received a certificate from the Auditors to the effect that the ratification of their appointment, if made, would be within the limits prescribed under Section 141 of the Act and that they are not disqualified to act as Auditors within the meaning of the said section.

14. AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks made by M/s S.R. Batliboi & Co. LLP, Statutory Auditors in their report for the financial year ended June 30, 2015. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the year under review.

15. SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Act, Dr. S. Chandrasekaran, Practicing Company Secretary was appointed as the Secretarial Auditor of the Company. The report of the Secretarial Auditor is enclosed as Annexure 1 to this Report. The report is self-explanatory and does not call for any further comments.

16. EXTRACT OF ANNUAL RETURN

Pursuant to section 134(3)(a) and section 92(3) of the Act, the extract of the Annual Return in Form MGT-9 is enclosed as Annexure 2 to this Report.

17. DIRECTORS' APPOINTMENT AND REMUNERATION

The Nomination and Remuneration Committee has formulated the criteria for determining the qualifications, positive attributes and independence of directors in terms of its charter. The Company's policy on directors' remuneration pursuant to section 178(3) of the Act has been disclosed in the Corporate Governance Report, which forms part of this Report.

18. AUDIT COMMITTEE

The Audit Committee comprises of four Independent Directors namely, Mr. Amal Ganguli, Ms. Robin Ann Abrams, Mr. Subramanian Madhavan and Mr. Keki Mistry. During the year, all the recommendations made by the Audit Committee were accepted by the Board.

19. RISK MANAGEMENT POLICY

The Board of the Company has formed a Risk Management Committee to inter-alia assist the Board in overseeing the responsibilities with regard to the identification, evaluation and

mitigation of operational, strategic and external environmental risks. In addition, the Audit Committee is also empowered to oversee the areas of risks and controls.

The Company has developed and implemented a Risk Management Policy that ensures the appropriate management of risks in line with its internal systems and culture.

20. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal financial control systems are commensurate with its size and the nature of its operations. The controls are adequate for ensuring the orderly and efficient conduct of the business and these controls are working effectively. These controls have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, adherence to the Company's policies, safe-guarding of assets from unauthorized use and prevention and detection of frauds and errors.

21. SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

22. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

23. TRANSACTIONS WITH RELATED PARTIES

None of the transactions with related parties falls under the scope of section 188(1) of the Act. Information on transactions with related parties pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure 3 in Form AOC-2 and the same forms part of this Report.

24. CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility (CSR) committee comprises of three members, namely Mr. Shiv Nadar, Ms. Roshni Nadar Malhotra and Mr. Subramanian Madhavan. The Committee is inter-alia responsible for formulating and monitoring the CSR Policy of the Company. A brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure 4 of this Report in the form as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Policy is available on the website of the Company.

25. TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO IEPF

Pursuant to the provisions of Section 124(5) of the Act, the dividend amounts which have remained unpaid or unclaimed for a period of seven years from the date of declaration have been transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government pursuant to Section 125 of the Act. The details of unpaid/unclaimed dividend that will be transferred to IEPF in subsequent years are given in the corporate governance section of the Annual Report.

26. DEPOSITS

Your Company has not accepted any deposits from public.

27. CORPORATE GOVERNANCE REPORT

The Corporate Governance Report, in terms of Clause 49 of the Listing Agreement, along with the Statutory Auditors' certificate thereon is enclosed and forms part of this Report.

28. BUSINESS RESPONSIBILITY REPORT

The Securities and Exchange Board of India ("SEBI") vide its circular dated August 13, 2012 has mandated inclusion of Business Responsibility Report ("BRR") as part of the Annual Report for top 100 listed companies. Pursuant to these provisions if a listed Company publishes the Sustainability Report based on internationally accepted reporting framework along with a mapping of the BRR as stated in the SEBI Circular, it would be treated as sufficient compliance of this circular.

For the financial year 2014-15, as the Company has prepared its sustainability report based on the internationally accepted reporting framework and the principles stated under the above SEBI circular have been mapped with the Sustainability Report, no separate BRR has been prepared by the Company. The Mapping and the Sustainability Report are available on our website at <http://www.hcltech.com/socially-responsible-business>.

29. INSIDER TRADING REGULATIONS

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, the 'Insider Trading Code' to regulate, monitor and report trading by insiders and the 'Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information' are in force.

30. AWARDS AND RECOGNITIONS

Your Company relentlessly pursues excellence and is delighted to receive phenomenal share of recognitions and awards this year, not only from the media, but also from analysts, governing bodies, academic institutions, partners and even customers. Some of the key accolades received during the year include:

- Ranking in Forbes Asia's prestigious annual listing of the 50 best publicly traded companies in Asia-Pacific called 'Asia's Fab 50 Companies'. The Company has made it to this list for the sixth consecutive year.
- 'IT Outsourcing Project of the Year Award' by European Outsourcing Association for successful IT Transformation project for a leading multinational pharmaceutical firm.
- 'Technology Innovation Accelerated Award' at Intel Developer Forum 2014, in the "Consumer Solution" category for its Intel Galileo - based Building Automation System (BAS).
- Recognition as a Top Employer in UK for the ninth consecutive year for its best HR practices.
- Company's transformation strategy has been showcased as a case study in "Human Capital Insights-Inspiring

practices for Asia, from Asia" by Human Capital Leadership Institute, a strategic Alliance between Singapore Ministry of Manpower, Singapore Economic Development Board and Singapore Management University.

- Two Gold Awards in the 'Brand Activation & Promotion' and 'Direct Response - Digital' categories at India's leading Advertising/Marketing award platform, the Abbys.
- '2015 Forrester Groundswell Award' in the category of Social Reach Marketing (B2B).
- National Outsourcing Association award for 'Outsourcing Service Provider of the Year 2014'.
- Frost & Sullivan's 2015 CIO Impact Awards in the categories Enterprise Social Networking, Mobility and Cloud Computing.
- 'TISS LeapVault CLO Gold Award 2014' under the Blended Learning Program category for Project Management Structured Effectiveness Program (PMStEP).
- Positioned as a 'Leader' in IDC MarketScape for Worldwide Cloud Professional Services 2014 Vendor Assessment.
- Recognition as life sciences IT outsourcing Leader and a Star Performer by the leading advisory and research firm, Everest Group in its PEAK Matrix Assessment 2014 report on "IT Outsourcing in Life Sciences Industry".
- Two International ECHO Awards from the Direct Marketing Association (DMA) for its "CoolestInterviewEver" campaign.

31. SUSTAINABILITY

Your Company believes in a better tomorrow and based on this strong belief has embarked on a Sustainability 2020 programme. The Company's continuous focus on improving all aspects of sustainability demonstrates its commitment to a sustainable tomorrow without compromising on the well-being of its employees today. To do this, the Company partners with multiple stakeholders to form an inclusive working group to create policies, processes and other organizational measures. Today, the Company's sustainability department runs a multi-layered corporate program to drive the sustainability vision.

The ongoing success of the programme depends on a consistent and sustainable vision, ease and flexibility of implementation and most importantly Employee Engagement. The sustainability actions are a part of everyday operations and the Company believes that responsible investments in sustainability will generate long term value for all the stakeholders by improving competitiveness and reducing risk.

Sustainability can be created when we are able to integrate broader societal concerns into business strategy and performance as part of the Company's business model. This common sense of ownership can be realized by incorporating the interests of all those with whom the Company has mutually dependent relationships.

The initiatives taken by the Company on sustainability are given in detail in the Sustainability Report for the year 2014-15 which is hosted on the website of the Company.

32. ORGANIZATION EFFECTIVENESS

Last year, your company's endeavor was to build a future ready organization. To engage the next generation of workforce and to help your Company find talent for opportunities seamlessly, the Company has further shaped its people practices under the umbrella of Design U2.0. Design U2.0 is a journey of self-discovering and development by which individuals in an organization take responsibility for optimizing their future readiness and will deliver on the four capability areas of Listen, Collaborate, Ideate and Create for the individual and organization both. Analytics, social collaboration, live feedback for performance, development and value creation are the areas your Company has invested in. Here are some examples of how the practices adopted by the Company have evolved and seen external recognition:

Career Management

Employees have recast their roles as CEO of their own careers. Employees access the Company's career architecture, understand what it takes to be selected for each opportunity and go through a job based integrated curriculum to advance their career aspirations on a social career management platform. The managers and unit heads themselves have come together to create reference - able career development plans to move from one job to another for the Company's employees. Plans found useful by the network are further endorsed for wide adoption. This effort by the network and for the network is a big draw for career aspirants.

In this social career management platform, employees can refer internal opportunities to other employees and can anonymously vote their career advice to a fellow employee. Business groups are already utilizing this platform to internally identify the talent pipeline for roles they have in newer areas like Digital and IOT (Internet of Things).

Corporate Executive Board, an external global research company, has selected the Company's process as a material proof of how social career management can be accomplished and is advocating it as best practice to Fortune 500 companies. People Matters and the Learning and Organization Development roundtable have recognized this as amongst the best talent management practices in Asia. The Company's employees who have authored this framework have been published in reputed management journals.

Performance Management

The Company has made the employees responsible for establishing expectations and seeking feedback at every role that is assigned. The employees have been enabled to influence their network of peers to co-own goals. This has helped enable cross functional collaboration and interlock. Employees can give and receive help on their goals by making them public and also express their likelihood of reaching their goals. This process helps the Company improve predictability of business performance by accessing real time ground level feedback. This has made feedback and expectations exchange more

instantaneous and the practice itself more social. The above has been enabled on a cloud based technology platform.

Employee Engagement and Feedback

Understanding employee engagement and views on the employment experience periodically in our view is not reflective of the needs of the workforce today. Your Company's employees continue to use the Smart Survey platform created to advocate a culture of transparency by sharing views triggered at various stages of the lifecycle.

In the last financial year, your Company not only followed a monthly rhythm of measuring employee experience at each event in the employee life cycle, but also addressed this with sharp and specific actions for different talent segments at different instances of the employee experience. More employees participated in giving and receiving feedback in the annual cycle as well. This was reinforced because of the credibility of this process.

Talent Management and Leadership Development

In the 2-year flagship program through which the Company invests in leadership, 150 aspiring leaders have graduated to occupy higher responsibilities.

The Company has in place a talent risk and succession framework for key positions. This helps the Company take development and deployment decisions for individuals.

The Company assesses potential for 100% of the workforce. Every six months, the Company proactively look for high performers and acknowledge their efforts through a high differentiation of rewards and also provide them access to opportunities.

Value Creation

The Company has nurtured an atmosphere where employees are taking the lead in finding solutions and ideas and then leading them to fruition. This culture of innovation defined under **Ideapreneurship** which is a self-sustaining, self-inspired, innovation engine that drives the Company forward and prepare as an organization of the future. Every employee gets the opportunity to ideate, and where these everyday ideas set a new business paradigm.

Ideapreneurship puts employees at the forefront of innovation where they innovate and collaborate with each other and with customers to seed, nurture and harvest ideas. This innovation and collaboration culture has given rise to a number of platforms (seed platforms) for employees to bring about a business impact - The Value Portal, LeadGen, MAD JAM and Good Practices Conference.

33. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Disclosures of particulars as required under section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 to the extent applicable to your Company, are set out in Annexure 5 to this Report.

34. DIRECTORS' RESPONSIBILITY STATEMENT

A statement of responsibility of the Directors relating to compliance with the financial accounting and reporting requirements in respect of the financial statements, as specified under clause (c) of sub-section 3 of section 134 of the Act, is annexed as Annexure 6 to this Report.

35. STOCK OPTIONS PLANS

1999 Stock Option Plan / 2000 Stock Option Plan / 2004 Stock Option Plan

The details of these plans have been annexed as Annexure 7 to this Report.

36. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, which can affect the financial position of the Company between the end of the financial year and the date of this Report.

37. PARTICULARS OF EMPLOYEES

The information required pursuant to section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below.

a. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

S.No.	Name of Director	Ratio to median remuneration of employees
Executive Director		
1.	Mr. Shiv Nadar	302.39*
Non-Executive Directors		
2.	Mr. Amal Ganguli	14.22
3.	Mr. Keki Mistry	11.49
4.	Mr. Ramanathan Srinivasan	19.64
5.	Ms. Robin Ann Abrams	20.11
6.	Ms. Roshni Nadar Malhotra	10.55
7.	Dr. Sosale Shankara Sastry	13.89
8.	Mr. Subramanian Madhavan	13.16
9.	Mr. Sudhindar Krishna Khanna	10.65
10.	Mr. Srikant Madhav Datar**	6.58

The remuneration of Non-executive Directors also includes sitting fees paid during the year.

*The ratio has been calculated after taking into account the remuneration drawn from the Company as well as the subsidiaries.

**This information is not comparable as he was Director for part of the year .

b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

S.No.	Names	% increase in remuneration in the financial year
Directors		
1.	Mr. Shiv Nadar*	-
2.	Mr. Amal Ganguli	84.43
3.	Mr. Keki Mistry	100.00
4.	Mr. Ramanathan Srinivasan	109.30
5.	Ms. Robin Ann Abrams	116.86
6.	Ms. Roshni Nadar Malhotra	152.17
7.	Dr. Sosale Shankara Sastry	67.54
8.	Mr. Subramanian Madhavan	114.20
9.	Mr. Sudhindar Krishna Khanna	90.26
10.	Mr. Srikant Madhav Datar**	-
Key Managerial Personnel		
11.	Mr. Anant Gupta (Chief Executive Officer)	578.93
12.	Mr. Anil Chanana* (Chief Financial Officer)	120.41
13.	Mr. Manish Anand (Company Secretary)	12.82

*% increase includes remuneration from the subsidiaries.

**This information is not comparable as he was Director for part of the year.

c. The percentage increase in the median remuneration of employees in the financial year:

8.00%

d. The number of permanent employees on the rolls of Company:

There were 77,210 permanent employees on the rolls of the Company. In addition, the Company has 28,897 number of employees on the rolls of its subsidiaries.

e. The explanation on the relationship between average increase in remuneration and Company performance:

On an average, employees received an annual increase of 7.43% in India. The individual increments varied from 12.03% to 2.6%, based on individual performance.

Employees outside India received wage increase varying from 4.2% to 0.7%. The increase in remuneration of employees in India and outside India is in line with the market trends in the respective countries. Increase in remuneration of employees reflects the individual's and Company's performance. The Annual Performance Bonus pay out is also linked to organization performance, apart from an individual's performance.

f. Comparison of the remuneration of the key managerial personnel (KMP) against the performance of the Company:

(₹ in crores)

Particulars	On the basis of	
	Standalone	Consolidated
Aggregate remuneration of KMP in FY15	49.49	55.55
Revenue (FY15)	18,352.94	37,840.68
Remuneration of KMP as percentage of Revenue	0.27	0.15
Profit before tax (FY15)	7,698.54	9,117.06
Remuneration of KMP as percentage of Profit before tax	0.64	0.61

g. Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	June 30, 2015	June 30, 2014	% change
Market Capitalisation (₹ crore)	129,312	105,007	23.15
Price Earnings Ratio	35.52	32.64*	8.82

* Adjusted for Bonus issue in the year 2015 (1:1)

h. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Particulars	June 30, 2015	December 24, 1999 (IPO)	December 24, 1999 (IPO)*	% change*
Market Price (NSE)	919.75	580	72.5	1168.6
Market Price (BSE)	921.05	580	72.5	1170.4

* Adjusted for Stock Split (face value of ₹ 4 per share sub-divided into 2 shares of face value of ₹ 2 each in the year 2000) and adjusted for Bonus issue in the year 2007 (1:1) and 2015 (1:1).

i. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase was 7.43%. There is no increase in the managerial remuneration during the year.

j. Comparison of each remuneration of the key managerial personnel against the performance of the Company:
i) On the basis of Standalone accounts

(₹ in crores)

	Mr. Shiv Nadar, Chairman & Chief Strategy Officer	Mr. Anant Gupta, Chief Executive Officer	Mr. Anil Chanana, Chief Financial Officer	Mr. Manish Anand, Company Secretary
Remuneration in FY15	12.15	28.66	8.14	0.54
Revenue	18,352.94			
Remuneration as % of Revenue	0.091	1.156	0.044	0.003
Profit before tax	7,698.54			
Remuneration as % of Profit before tax	0.216	0.372	0.106	0.007

ii) On the basis of Consolidated accounts

(₹ in crores)

	Mr. Shiv Nadar, Chairman & Chief Strategy Officer	Mr. Anant Gupta, Chief Executive Officer	Mr. Anil Chanana, Chief Financial Officer	Mr. Manish Anand, Company Secretary
Remuneration in FY15	16.63	28.66	9.72	0.54
Revenue	37,840.68			
Remuneration as % of Revenue	0.044	0.076	0.026	0.001
Profit before tax	9,117.06			
Remuneration as % of Profit before tax	0.182	0.314	0.107	0.006

k. The key parameters for any variable component of remuneration availed by the directors:

The shareholders of the Company in the Annual General Meeting held on December 4, 2014 had granted their approval for payment of commission not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of the Act, to all the Non-executive Directors of the Company for a period of 5 years beginning from July 1, 2014.

The said commission is decided each year by the Board of Directors and distributed amongst the Non-executive Directors based on their attendance and contribution at the Board and certain Committee meetings, as well as the time spent on operational matters other than at meetings.

l. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

The ratio of remuneration of Mr. Shiv Nadar, the highest paid

Director to that of Mr. Anant Gupta, President & Chief Executive Officer, the highest paid employee is as under:

a) On Consolidated basis: 0.58:1

b) On Standalone basis: 0.42:1

m. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms that the remuneration is as per the remuneration policy of the Company.

38. STATEMENT OF EMPLOYEES PURSUANT TO RULE 5(2) THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A statement containing the names of the employees employed throughout the financial year and in receipt of remuneration of ₹ 60 lacs or more and the employees employed for part of the year and in receipt of remuneration of ₹ 5 lacs or more per month, pursuant to Rule 5(2) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as Annexure 8 to this Report.

39. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has formulated and published a Whistle Blower Policy to provide vigil mechanism for employees including directors of the Company to report genuine concerns and to ensure strict compliance with ethical and legal standards across the Company. The provisions of this Policy are in line with the provisions of the section 177(9) of the Act and Clause 49 of the Listing Agreements with Stock Exchanges and are available on the website of the Company at <http://www.hcltech.com/about-us/corporate-governance/governance-policies>. The details of Whistle Blower Policy forms part of the Corporate Governance Report annexed with this Report.

40. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Prevention and Redressal of Sexual Harassment at Work Place Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has constituted a committee for the redressal of all sexual harassment complaints. These matters are also being reported to the Audit Committee. The details of the Policy and the complaints are given under Corporate Governance Report and the Business Responsibility Report respectively.

41. ACKNOWLEDGEMENTS

The Board wishes to place on record its appreciation of the significant contributions made by the employees of the Company and its subsidiaries during the year under review. The Company has achieved impressive growth through competence, hard work, solidarity, cooperation and support of the employees at all levels. Your Directors thank the customers, clients, vendors and other business associates for their continued support in the Company's growth. The Directors also wish to thank the Government Authorities, Financial Institutions and Shareholders for their cooperation and assistance extended to the Company.

For and on behalf of the Board of Directors

Place: Noida, U.P., India

Date: August 3, 2015

SHIV NADAR

Chairman and Chief Strategy Officer

ANNEXURE-1 TO THE DIRECTORS' REPORT
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED JUNE 30, 2015

The Members,
HCL Technologies Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by HCL Technologies Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on June 30, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on June 30, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and Not Applicable
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable
- (vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/ industry are:
 - (a) The Information Technology Act, 2000
 - (b) The Special Economic Zone Act, 2005
 - (c) Policy relating to Software technology Parks of India and its regulations
 - (d) The Indian Copyright Act, 1957
 - (e) The Patents Act, 1970
 - (f) The Trade Marks Act, 1999

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. Not applicable.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited.

ANNEXURE-1 TO THE DIRECTORS' REPORT (Contd.)

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has following specific events / actions that having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- (a) Alteration of Memorandum of Association of the Company;
- (b) Alteration of Articles of Association of the Company;
- (c) Issue of fully paid up bonus shares in the proportion of one equity share for every one equity share held.

Date: 28.07.2015

Place: New Delhi

Dr. S. Chandrasekaran
Senior Partner

For Chandrasekaran Associates
Company Secretaries
Membership No. FCS No.: 1644
Certificate of Practice No.: 715

Note: This report is to be read with our letter of even date which is annexed as Annexure A and form an integral part of this report.

The Members
HCL Technologies Limited
806, Siddharth
96, Nehru Place
New Delhi-110019

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 28.07.2015

Place: New Delhi

Dr. S. Chandrasekaran
Senior Partner

For Chandrasekaran Associates
Company Secretaries
Membership No. FCS No.: 1644
Certificate of Practice No.: 715

ANNEXURE-2 TO THE DIRECTORS' REPORT

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 30.06.2015

(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1)
of the Companies (Management & Administration) Rules, 2014)

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	L74140DL1991PLC046369
2.	Registration Date	12/11/1991
3.	Name of the Company	HCL Technologies Limited
4.	Category / Sub-category of the Company	Public Company Limited by Shares
5.	Address of the Registered office and contact details	806, Siddharth, 96, Nehru Place, New Delhi- 110019 Tel.: +91-11-26444812, Fax: +91-11-26436336
6.	Whether listed company	Yes
7.	Name, Address and contact details of the Registrar and Transfer Agent, if any	Alankit Assignments Limited 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi-110055, India Tel.: +91-11-42541234, 23541234, Fax: +91-11-42541967

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the Company shall be stated)

S.No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1.	Computer Programming, Consultancy and Related Activities	620	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S.No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
1.	HCL Comnet Systems and Services Ltd. 806, Siddharth, 96, Nehru Place, New Delhi-110019	U74899DL1993PLC056665	Subsidiary	100	2(87)
2.	HCL Comnet Ltd. 806, Siddharth, 96, Nehru Place, New Delhi-110019	U74899DL2001PLC111951	Subsidiary	100	2(87)
3.	HCL Global Processing Services Ltd. 806, Siddharth, 96, Nehru Place, New Delhi-110019	U72300DL1995PLC069891	Subsidiary	100	2(87)
4.	HCL Eagle Ltd. 806, Siddharth, 96, Nehru Place, New Delhi-110019	U72200DL2011PLC225052	Subsidiary	92	2(87)
5.	HCL Foundation 806, Siddharth, 96, Nehru Place, New Delhi-110019	U85100DL2014NPL274786	Subsidiary	100	2(87)
6.	HCL Bermuda Ltd. Canon's Court 22, Victoria Street, Hamilton HM 12, Bermuda	Not Applicable	Subsidiary	100	2(87)
7.	HCL Great Britain Ltd. Axon Centre, Church Road, Egham, Surrey TW20 9QB	-do-	Subsidiary	100	2(87)
8.	HCL (Netherlands) BV Prinses Margrietplnts 50, unit E9.02, 2595BR 's-Gravenhage	-do-	Subsidiary	100	2(87)
9.	HCL GmbH Frankfurter Strasse 63-69, D-65760 ESCHBORN	-do-	Subsidiary	100	2(87)

S. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
10.	HCL Belgium NV Lozenburg 22 Bus 3, B-1932, Zaventem, Belgium	-do-	Subsidiary	100	2(87)
11.	HCL Sweden AB Sveavagen 21, 4 tr, 111 34 Stockholm, Sweden	-do-	Subsidiary	100	2(87)
12.	HCL Italy SRL Vimodrone (MI) via Luigi Cadorna n. 73, Milan 20090, Italy	-do-	Subsidiary	100	2(87)
13.	HCL Australia Services Pty. Ltd. C/o Mitchell & Partners Level 7, 10 Barrack Street, Sydney NSW 2000	-do-	Subsidiary	100	2(87)
14.	HCL (New Zealand) Ltd. C/o ilumin Limited Ltd,1st Floor, 79 Taranaki Street, Wellington 6011, New Zealand	-do-	Subsidiary	100	2(87)
15.	HCL Hong Kong SAR Ltd. 803A, Allied Kajima Building, No 138 Gloucester Road, Wanchai , Hong Kong	-do-	Subsidiary	100	2(87)
16.	HCL Japan Ltd. 19F, NBF Hibiya Building, 1-1-7, Uchisaiwai-cho Chiyoda-Ku, Tokyo, Postal Code-100-0011	-do-	Subsidiary	100	2(87)
17.	HCL America Inc. 330, Potrero Ave, Sunnyvale, California 94085	-do-	Subsidiary	100	2(87)
18.	HCL Technologies Austria GmbH Gußhausstraße 14/5, 1040 Vienna, Austria	-do-	Subsidiary	100	2(87)
19.	HCL BPO Services (NI) Ltd. 11th Floor, River House, 48 High Street, Belfast, BT1 2AW	-do-	Subsidiary	100	2(87)
20.	HCL Singapore Pte. Ltd. 8, Shenton Way, 33-03, AXA Tower, Singapore 068811	-do-	Subsidiary	100	2(87)
21.	HCL (Malaysia) Sdn. Bhd. 35-3, Jalan, SS 15/8A, 47500, Subang Jaya, Selangor Darul Ehsan	-do-	Subsidiary	100	2(87)
22.	HCL Technologies Solutions Ltd. No. 6, A.S. Chambers, 80 Feet Road, VI Block, Koramangala, Bangalore, Karnataka- 560095	-do-	Subsidiary	100	2(87)
23.	HCL Poland sp. z o.o Zabierzów 32-080, Krakowska 280 Street, Poland, KRS's Number- 0000281882	-do-	Subsidiary	100	2(87)
24.	HCL Technologies (Shanghai) Limited Room 23500, Building 14, 498 Guoshoujing Road, PuDong New Area, 201203, Shanghai	-do-	Subsidiary	100	2(87)
25.	HCL EAS Ltd. Axon Centre, Church Road, Egham, Surrey, TW20 9QB, England	-do-	Subsidiary	100	2(87)
26.	Axon Group Ltd. Axon Centre, Church Road, Egham, Surrey, TW20 9QB, England	-do-	Subsidiary	100	2(87)
27.	HCL Axon Technologies Inc. 199, Bay Street, Suite 4000, Commerce Coast West, Toronto, Ontario, M5L 1A9, Canada	-do-	Subsidiary	100	2(87)
28.	HCL Technologies Solutions GmbH Othmarstrasse 8, 8024, Zurich	-do-	Subsidiary	100	2(87)
29.	Axon Solutions Pty. Limited Level 18, Asic Mail Returned 28/04/2010, 100 Pacific Highway, NSW, North Sydney NSW 2060, Australia	-do-	Subsidiary	100	2(87)

S. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
30.	Axon Solutions Inc. 15, Exchange Plaza, Suite 730, Jersey City, NJ 07302	-do-	Subsidiary	100	2(87)
31.	Axon Solutions Limited Axon Centre, Church Road, Egham, Surrey, TW20 9QB, England	-do-	Subsidiary	100	2(87)
32.	HCL Axon Malaysia Sdn. Bhd. L5E-1B Enterprise 4, Technology Park Malaysia, Lebuhraya Puchong Sg. Besi, Bukit Jalil, 57000 Kuala Lumpur	-do-	Subsidiary	100	2(87)
33.	Axon Solutions Singapore Pte. Ltd. 519, Balestier Road, #03 - 01 Le Shantier Singapore 329852	-do-	Subsidiary	100	2(87)
34.	Axon Solutions (Shanghai) Co. Ltd. Room 23508-23510, Building 14, 498 Guoshoujing Road, Shanghai, China	-do-	Subsidiary	100	2(87)
35.	HCL Axon (Proprietary) Ltd. GMI House, Harlequins Office Park, 164, Totius Street, Groenkloof, Pretoria, 0027	-do-	Subsidiary	70	2(87)
36.	HCL Expense Management Services Inc. 201, Route 17 North, Rutherford NJ 07070	-do-	Subsidiary	100	2(87)
37.	HCL Insurance BPO Services Limited 2nd Floor, No. 1, Croydon, 12-16, Addiscombe Road, Croydon, U.K.	-do-	Subsidiary	100	2(87)
38.	HCL Argentina s.a. 25 de Mayo 489, 3rd Floor, Buenos Aires, Argentina	-do-	Subsidiary	100	2(87)
39.	HCL Mexico S. de R.L. Avenida Empresarios 135 PISO 2 Puerta DE Hierro Jalisco 45116, Mexico	-do-	Subsidiary	100	2(87)
40.	HCL Technologies Romania S.r.l. Office 2, Room 12, Ground Floor, B Building 56, Blvd. Dacia 2, District Bucharest, Romania	-do-	Subsidiary	100	2(87)
41.	HCL Hungary kft 1132 Budapest, Váci út 20, Hungary	-do-	Subsidiary	100	2(87)
42.	HCL Latin America Holding LLC 1209, Orange Street, Wilmington, Delaware 19808	-do-	Subsidiary	100	2(87)
43.	HCL (Brazil) Tecnologia da informacao Ltda. Rua do Rocio, n.º 220, 04º andar, conjunto n.º 42, edifício Atrium, Vila Olímpia, CEP: 04552-903.	-do-	Subsidiary	100	2(87)
44.	HCL Technologies Denmark Aps Tuborg Boulevard 12, 3, 2900 Hellerup, Denmark	-do-	Subsidiary	100	2(87)
45.	HCL Technologies Norway AS Dronning Eufemias Gate 16, 0191 Oslo, Norway	-do-	Subsidiary	100	2(87)
46.	PT HCL Technologies Indonesia GD One Pacific Place, LT 15 SCBD JL, Jend Sudirman KAV 52-53, Senayan, Kebayoran Baru, Jakarta, Selatan, DKI Jakarta 12190	-do-	Subsidiary	100	2(87)
47.	HCL Technologies South Africa (Proprietary) Limited GMI House, Harlequins Office Park, 164, Toitus Street, Groenkloof, Pretoria 0027	-do-	Subsidiary	70	2(87)
48.	HCL Arabia LLC AL Olaya Street, Al Aqariya Plaza, Office NO.203, Riyadh-12244, Kingdom of Saudi Arabia	-do-	Subsidiary	100	2(87)

S. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
49.	HCL Technologies Philippines, Inc. Net Cube Center, 3rd Avenue Corner, 30th Street, E-Square Zone, Bonifacio Global City, Taguig City, Metro, Manila 1634 Philippines	-do-	Subsidiary	100	2(87)
50.	HCL Technologies France 13/15, Rue, Taitbout, Paris, France	-do-	Subsidiary	100	2(87)
51.	Filial Espanola De HCL Technoloiges S.L. Paseo de la Castellana, 35, 2 Planta 28046 Madrid, Spain	-do-	Subsidiary	100	2(87)
52.	Anzospan Investments Pty. Ltd. GMI House, Harlequins Office Park, 164, Toitus Street, Groenkloof, Pretoria 0027	-do-	Subsidiary	70	2(87)
53.	HCL Investments (UK) Ltd. Axon Centre, Church Road, Egham, Surrey, TW20 9QB, England	-do-	Subsidiary	100	2(87)
54.	HCL America Solutions Inc. 330, Potrero Ave, Sunnyvale, California 94085	-do-	Subsidiary	100	2(87)
55.	HCL Technologies Chile SpA EL Golf 40 Piso, Las Condes, Santiago, CP 755-0107, Chile	-do-	Subsidiary	100	2(87)
56.	HCL Technologies UK Ltd. Axon Centre, Church Road, Egham, Surrey, TW20 9QB, England	-do-	Subsidiary	100	2(87)
57.	HCL Technologies B.V. Prinses Margrietpntns 50, unit E9.02, 2595BR 's-Gravenhage	-do-	Subsidiary	100	2(87)
58.	HCL Technologies Germany GmbH Frankfurter Strasse 63-69, D-65760 ESCHBORN	-do-	Subsidiary	100	2(87)
59.	HCL (Ireland Information) Systems Ltd. Telephone House, 43-46, Marlborough Street, Dublin 1	-do-	Subsidiary	100	2(87)
60.	HCL Technologies Finland Oy Keilaranta 6 02150 Espoo, Finland	-do-	Subsidiary	100	2(87)
61.	HCL Technologies Belgium BVBA Lozenburg 22 Bus 3, B-1932, Zaventem, Belgium	-do-	Subsidiary	100	2(87)
62.	HCL Technologies Sweden AB Sveavagen 21, 4 tr, 111 34 Stockholm, Sweden	-do-	Subsidiary	100	2(87)
63.	HCL Technologies Italy S.p.A. Vimodrone (MI) via Luigi Cadorna n. 73, Milan 20090, Italy	-do-	Subsidiary	100	2(87)
64.	HCL Technologies Columbia S.A.S., Carrera 7 No. 71-52 Torre A Piso 5 / Bogotá – Colombia	-do-	Subsidiary	100	2(87)
65.	HCL Technologies Middle East FZ-LLC, 215, Floor 2, Building 15, Dubai Internet City, Dubai, UAE	-do-	Subsidiary	100	2(87)
66.	HCL Technologies Greece Single Member P.C., 3 Katsoulieistr., 15233, Municipality of Chalandri, Prefecture of East Attika	-do-	Subsidiary	100	2(87)
67.	HCL Istanbul Bilisim Teknolojileri Limited Sirketi Maslak Meydan District No:3 Veko Giz Plaza 13th Floor Apartment no:43 Room no:1302 SARIYER/ISTANBUL	-do-	Subsidiary	100	2(87)

S. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
68.	HCL Technologies Egypt Ltd. Regus Cario Nile City Towers, 22nd floor north tower, nile city towers, cornich El Nil Ramlet Boulak, Cario, Egypt PO 11624	-do-	Subsidiary	100	2(87)
69.	HCL Technoloiges S.A. Eddificio Atrium, Piso 3, Av. Venezuela, El Rosal, Caracus, Venezuela	-do-	Subsidiary	100	2(87)
70.	HCL Technologies Luxembourg S.a.r.l. 42-44, avenue la da Gare, L-1601, Grand Dutych of Luxembourg	-do-	Subsidiary	100	2(87)
71.	HCL Technologies Beijing Co. Ltd. Office no. 2336, 20/F, Taiking Financial Tower, 38 East Third Ring Road, Chaoyang District, Beijing	-do-	Subsidiary	100	2(87)
72.	HCL Technologies (Thailand) Limited 89, AIA Capital Center, 20/F, Room 2005-2007, Ratchadapisek Road, Kwaeng Dindaeng, Khet Dindaeng, Bangkok 10400	-do-	Subsidiary	100	2(87)
73.	HCL Technologies Estonia OU Väike-Karja 3/Sauna 2, Tallinn, Harju county-10140, Estonia	-do-	Subsidiary	100	2(87)
74.	Statestreet HCL Holdings (UK) Ltd. Axon Centre, Church Road, Egham, Surrey, TW20 9QB, England	-do-	Associate	49	2(6)
75.	Statestreet HCL Services (Philippines) Inc. Axon Centre, Church Road, Egham, Surrey, Milano St, Mckinley Hill Cyberpark, Fort Bonifacio Taguig City	-do-	Associate	49	2(6)
76.	Statestreet HCL Services (India) Pvt. Ltd. 806, Siddharth, 96, Nehru Place, New Delhi-110019	U72900DL2012FTC229698	Associate	49	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 30-June-2014]				No. of Shares held at the end of the year [As on 30-June-2015]				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	306,348,512	0	306,348,512	43.77	612,622,144	0	612,622,144	43.57	-0.20
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other									
(i) Directors & their relatives	394	0	394	0	788	0	788	0	0
(ii) Trust	5,600,080	0	5,600,080	0.80	80	0	80	0	-0.80
Sub- total (A) (1):-	311,948,986	0	311,948,986	44.57	612,623,012	0	612,623,012	43.57	-1.00

Category of Shareholders	No. of Shares held at the beginning of the year [As on 30-June-2014]				No. of Shares held at the end of the year [As on 30-June-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other- Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	119,548,908	0	119,548,908	17.08	239,097,816	0	239,097,816	17.01	-0.07
d) Banks/ FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub- total (A) (2):-	119,548,908	0	119,548,908	17.08	239,097,816	0	239,097,816	17.01	-0.07
Total shareholding of promoter (A)= (A)(1) +(A)(2)	431,497,894	0	431,497,894	61.64	851,720,828	0	851,720,828	60.58	-1.06
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	17,278,710	1082	17,279,792	2.47	48,797,020	2,164	48,799,184	3.47%	1.00
b) Banks / FI	323,674	376	324,050	0.05	777,145	796	777,941	0.06	0.01
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	8,532,322	0	8,532,322	1.22	14,036,744	0	14,036,744	1	-0.22
g) FIs	201,941,019	400	201,941,419	28.85	406,712,390	800	406,713,190	28.93	0.08
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify) foreign banks	600	0	600	0	1200	0	1200	0	0
Sub-total (B)(1):-	228,076,325	1,858	228,078,183	32.58	470,324,499	3,760	470,328,259	33.45	0.87
2. Non-Institutions									
a) Bodies Corp.	14,355,417	3,521	14,358,938	2.05	33,711,548	7,020	33,718,568	2.40	0.35
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	15,054,554	3,37,895	15,392,449	2.20	33,168,464	6,78,599	33,847,063	2.41	0.21
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2,389,736	0	2,389,736	0.34	7,191,884	0	7,191,884	0.51	0.17
c) Others (specify)									
Trusts	417,591	0	417,591	0.06	1,337,122	0	1,337,122	0.10	0.04
Foreign Nationals	43,396	0	43,396	0.01	74,767	0	74,767	0.01	0
Non-Resident Indians	2,462,706	14920	2,477,626	0.35	5,858,975	29,440	5,888,415	0.42	0.07
Overseas Corporate Bodies	8,622	440	9,062	0.00	17,244	880	18,124	0	0
Foreign Corporate Body	3,807,201	0	3,807,201	0.54	0	0	0	0	0
Clearing Members	1,332,195	0	1,332,195	0.19	1,364,123	0	1,364,123	0.10	-0.09
Hindu Undivided Families	172,110	0	172,110	0.02	489,265	0	489,265	0.03	0.01
Sub- total (B) (2):-	40,043,528	3,56,776	40,400,304	5.77	83,213,392	715,939	83,929,331	5.97	0.20
Total Public Shareholding (B)=(B)(1)+ (B)(2)	268,119,853	3,58,634	268,478,487	38.36	553,537,891	719,699	554,257,590	39.42	1.06
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	699,617,747	3,58,634	699,976,381	100	1,405,258,719	719,699	1,405,978,418	100	

(ii) Shareholding of Promoter-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Vama Sundari Investments (Delhi) Pvt. Ltd.	300,048,512	42.87%	0	600,097,024	42.68%	0	-0.18
2.	HCL Corporation Private Limited	6,300,000	0.90%	0	12,525,120	0.89%	0	-0.01
3.	HCL Holdings Private Limited *	119,548,908	17.08%	0	239,097,816	17.01%	0	-0.07
4.	Mr. Shiv Nadar	184	0.00%	0	368	0.00%	0	0
5.	Ms. Kiran Nadar	36	0.00%	0	72	0.00%	0	0
6.	Ms. Roshni Nadar Malhotra	174	0.00%	0	348	0.00%	0	0
7.	Shiv Nadar Foundation **	5,600,000	0.80%	0	0	0.00%	0	-0.80
8.	SSN Trust **	80	0.00%	0	80	0.00%	0	0
	Total	431,497,894	61.64%	0	851,720,828	60.58%	0	-1.06

* This is an Overseas Corporate Body.

** These are public charitable trusts in which promoter does not hold any beneficial interest.

Note: The Company has issued Bonus shares on March 23, 2015 in the ratio of 1:1.

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

S.No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Vama Sundari Investments (Delhi) Pvt. Ltd.				
	At the beginning of the year	300,048,512	42.87	300,048,512	42.87
	Bonus shares credited in the ratio of 1:1 on 24-Mar-15	300,048,512	-	600,097,024	42.69
	At the end of the year			600,097,024	42.68
2.	HCL Corporation Private Limited				
	At the beginning of the year	6,300,000	0.90	6,300,000	0.90
	Transfer of shares to its employees on 1-Oct-14	(35,840)	(0.01)	6,264,160	0.89
	Transfer of shares to its employees on 19-Nov-14	(1,600)	(0.00)	6,262,560	0.89
	Bonus shares credited in the ratio of 1:1 on 24-Mar-15	6,262,560	-	12,525,120	0.89
	At the end of the year			12,525,120	0.89
3.	HCL Holdings Private Limited				
	At the beginning of the year	119,548,908	17.08	119,548,908	17.08
	Bonus shares credited in the ratio of 1:1 on 24-Mar-15	119,548,908	-	239,097,816	17.01
	At the end of the year			239,097,816	17.01
4.	Mr. Shiv Nadar				
	At the beginning of the year	184	0.00	184	0.00
	Bonus shares credited in the ratio of 1:1 on 24-Mar-15	184	-	368	0.00
	At the end of the year			368	0.00

S.No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5.	Ms. Kiran Nadar				
	At the beginning of the year	36	0.00	36	0.00
	Bonus shares credited in the ratio of 1:1 on 24-Mar-15	36	-	72	0.00
	At the end of the year			72	0.00
6.	Ms. Roshni Nadar Malhotra				
	At the beginning of the year	174	0.00	174	0.00
	Bonus shares credited in the ratio of 1:1 on 24-Mar-15	174	-	348	0.00
	At the end of the year			348	0.00
7.	Shiv Nadar Foundation				
	At the beginning of the year	5,600,000	0.80	5,600,000	0.80
	Sale of Shares on 9-Mar-15	5,600,000	0.80	0	0.00
	At the end of the year			0	-
8.	SSN Trust				
	At the beginning of the year	80	0.00	80	0.00
	Bonus shares credited in the ratio of 1:1 on 24-Mar-15	80	-	160	0.00
	Sale of Shares on 30-Mar-15	(80)	0.00	80	0.00
	At the end of the year			80	0.00

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

S.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	Refer Annexure 2A			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel:

S.No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Directors					
1.	Mr. Shiv Nadar				
	At the beginning of the year	184	0.00	184	0.00
	Bonus shares credited in the ratio of 1:1 on 24-Mar-15	184	0.00	368	0.00
	At the end of the year	368	0.00	368	0.00

S.No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	Ms. Roshni Nadar Malhotra				
	At the beginning of the year	174	0.00	174	0.00
	Bonus shares credited in the ratio of 1:1 on 24-Mar-15	174	0.00	348	0.00
	At the end of the year	348	0.00	348	0.00
3.	Mr. Subramanian Madhavan				
	At the beginning of the year	700	0.00	700	0.00
	Purchase of shares on 07-Aug-14	100	0.00	800	0.00
	Sale of shares on 24-Feb-15	50	0.00	750	0.00
	Bonus shares credited in the ratio of 1:1 on 24-Mar-15	750	0.00	1500	0.00
	At the end of the year	1500	0.00	1500	0.00
Key Managerial Personnel					
1.	Anant Gupta, CEO				
	At the beginning of the year	110,184	0.02	110,184	0.02
	Bonus shares credited in the ratio of 1:1 on 24-Mar-15	110,184	0.02	220,368	0.02
	At the end of the year	220,368	0.02	220,368	0.02
2.	Anil Chanana, CFO				
	At the beginning of the year	59,186	0.01	59,186	0.01
	Allotment of shares under ESOP on 11-Feb-15	13,440	0.00	72,626	0.01
	Bonus shares credited in the ratio of 1:1 on 24-Mar-15	72,626	-	145,252	0.01
	At the end of the year	145,252	0.01	145,252	0.01
3.	Manish Anand, CS				
	At the beginning of the year	802	0.00	802	0.00
	Allotment of shares under ESOP on 14-Jan-15	960	0.00	1,762	0.00
	Sale of shares on 25-Feb-15	800	0.00	962	0.00
	Allotment of shares under ESOP on 19-Mar-15	2,880	0.00	3,842	0.00
	Bonus shares credited in the ratio of 1:1 on 24-Mar-15	3,842	0.00	3,842	0.00
At the end of the year	7,684	0.00	7,684	0.00	

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(₹ in crores)

Particulars	Secured Loans excluding deposits ¹	Unsecured Loans ²	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	539.34	29.25	-	568.59
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2.53	-	-	2.53
Total (i+ii+iii)	541.87	29.25	-	571.12
Change in Indebtedness during the financial year				
* Addition	26.08	-	-	26.08
* Reduction	(527.32)	(29.25)	-	(556.57)
Net Change	(501.24)	(29.25)	-	(530.49)
Indebtedness at the end of the financial year				
i) Principal Amount	40.63	-	-	40.63
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	40.63	-	-	40.63

Notes:

1. These represent obligations under 8.8% secured redeemable non-convertible debentures, car loan and capital lease.

2. These represent the bank overdraft.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in crores)

S.No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Mr. Shiv Nadar Managing Director	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13.78	13.78
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2.85	2.85
	(c) Profits in lieu of salary u/s 17(3) Income- tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...	-	-
5.	Others, please specify	-	-
	Total (A)	16.63	16.63
	Ceiling as per the Act (5% of net profits of the Company calculated under section 198 of the Companies Act, 2013)		378.69

* The remuneration includes ₹ 4.48 crores from subsidiaries.

B. Remuneration to other directors

(₹ in lacs)

S.No.	Particulars of Remuneration	Fee for attending board/ committee meetings	Commission	Others, please specify	Total Amount
1.	Independent Directors				
	Mr. Amal Ganguli	2.20	76	-	78.20
	Mr. Keki Mistry	1.20	62	-	63.20
	Mr. Ramanathan Srinivasan	1.00	107	-	108.00
	Ms. Robin Ann Abrams	1.60	109	-	110.0
	Dr. Sosale Shankara Sastry	0.40	76	-	76.40
	Mr. Subramanian Madhavan	2.40	70	-	72.40
	Mr. Srikant Madhav Datar*	0.20	36	-	36.20
	Total (1)	9.60	536	-	545.60
2.	Other Non-Executive Directors				
	Ms. Roshni Nadar Malhotra	-	58	-	58.00
	Mr. Sudhindar Krishna Khanna	0.60	58	-	58.60
	Total (2)	0.60	116	-	116.60
	Total (B)=(1+2)	10.20	652	-	662.20
	Total Managerial Remuneration				
	Overall Ceiling as per the Act (1% of net profits of the Company calculated under section 198 of the Companies Act, 2013)				75.74

* Mr. Srikant Madhav Datar ceased to be a Director of the Company w.e.f. December 4, 2014.

C. Remuneration to Key Managerial Personnel other than MD/Manager/Whole-time Director

(₹ in crores)

S.No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Anant Gupta, Chief Executive Officer	Mr. Anil Chanana, Chief Financial Officer*	Mr. Manish Anand, Company Secretary	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	27.32	8.12	0.54	35.98
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.34	0.02	-	1.36
	(c) Profits in lieu of salary u/s 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	2.20	0.72	2.92
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	28.66	10.34	1.26	40.26

* In addition, Mr. Anil Chanana received ₹ 1.58 crores as remuneration from a subsidiary of the Company.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment				NIL	
Compounding					
B. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment				NIL	
Compounding					

ANNEXURE-2A TO THE DIRECTORS' REPORT

Shareholding Pattern of Top 10 shareholders (Other than Directors, Promoters)

Date	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
ABU DHABI INVESTMENT AUTHORITY					
1-Jul-14	Opening Balance	96,12,142	1.37	96,12,142	1.37
4-Jul-14	Purchase	33,536	0.00	96,45,678	1.38
11-Jul-14	Sale	(9,81,553)	(0.14)	86,64,125	1.24
18-Jul-14	Purchase	12,14,672	0.17	98,78,797	1.41
25-Jul-14	Purchase	29	0.00	98,78,826	1.41
1-Aug-14	Sale	(2,01,082)	(0.03)	96,77,744	1.38
8-Aug-14	Sale	(13,384)	(0.00)	96,64,360	1.38
15-Aug-14	Sale	(56,247)	(0.01)	96,08,113	1.37
22-Aug-14	Purchase	9,592	0.00	96,17,705	1.37
29-Aug-14	Sale	(24,413)	(0.00)	95,93,292	1.37
5-Sep-14	Purchase	13,385	0.00	96,06,677	1.37
12-Sep-14	Purchase	289	0.00	96,06,966	1.37
19-Sep-14	Purchase	15,661	0.00	96,22,627	1.37
30-Sep-14	Purchase	7,892	0.00	96,30,519	1.37
10-Oct-14	Sale	(59,879)	(0.01)	95,70,640	1.36
17-Oct-14	Purchase	54,000	0.01	96,24,640	1.37
24-Oct-14	Purchase	5,108	0.00	96,29,748	1.37
31-Oct-14	Purchase	1,666	0.00	96,31,414	1.37
14-Nov-14	Sale	(1,33,036)	(0.02)	94,98,378	1.35
21-Nov-14	Purchase	41,965	0.01	95,40,343	1.36
28-Nov-14	Purchase	1,11,334	0.02	96,51,677	1.38
5-Dec-14	Purchase	79,908	0.01	97,31,585	1.39
12-Dec-14	Purchase	25,814	0.00	97,57,399	1.39
19-Dec-14	Sale	(68,701)	(0.01)	96,88,698	1.38
31-Dec-14	Purchase	313	0.00	96,89,011	1.38
9-Jan-15	Purchase	857	0.00	96,89,868	1.38
16-Jan-15	Sale	(61,505)	(0.01)	96,28,363	1.37
30-Jan-15	Purchase	205	0.00	96,28,568	1.37
6-Feb-15	Purchase	2,80,353	0.04	99,08,921	1.41
27-Feb-15	Sale	(21,278)	(0.00)	98,87,643	1.41
6-Mar-15	Sale	(89,941)	(0.01)	97,97,702	1.39
13-Mar-15	Purchase	17,365	0.00	98,15,067	1.40
20-Mar-15	Sale	(2,10,000)	(0.03)	96,05,067	1.37
23-Mar-15	Bonus shares allotted (1:1 ratio)	96,05,067	0.68	1,92,10,134	1.37
27-Mar-15	Purchase	1,40,000	0.01	1,93,50,134	1.38
3-Apr-15	Purchase	71,750	0.01	1,94,21,884	1.38
10-Apr-15	Purchase	1,08,396	0.01	1,95,30,280	1.39
17-Apr-15	Purchase	10,354	0.00	1,95,40,634	1.39
24-Apr-15	Purchase	1,15,900	0.01	1,96,56,534	1.40
1-May-15	Sale	(43,964)	(0.00)	1,96,12,570	1.40
8-May-15	Sale	(53,036)	(0.00)	1,95,59,534	1.39

Date	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
29-May-15	Purchase	2,86,803	0.02	1,98,46,337	1.41
5-Jun-15	Purchase	2,90,126	0.02	2,01,36,463	1.43
12-Jun-15	Sale	(86,000)	(0.01)	2,00,50,463	1.43
19-Jun-15	Purchase	16,900	0.00	2,00,67,363	1.43
30-Jun-15	Balance at the End of the Year	-	-	2,00,67,363	1.43
LIFE INSURANCE CORPORATION OF INDIA					
1-Jul-14	Opening Balance	92,50,366	1.32	92,50,366	1.32
11-Jul-14	Sale	(67,729)	(0.01)	91,82,637	1.31
18-Jul-14	Purchase	52,643	0.01	92,35,280	1.32
29-Aug-14	Sale	(6,32,667)	(0.09)	86,02,613	1.23
5-Sep-14	Sale	(5,95,325)	(0.08)	80,07,288	1.14
12-Sep-14	Sale	(3,68,433)	(0.05)	76,38,855	1.09
19-Sep-14	Sale	(7,80,376)	(0.11)	68,58,479	0.98
30-Sep-14	Sale	(4,54,913)	(0.06)	64,03,566	0.91
17-Oct-14	Sale	(19,728)	(0.00)	63,83,838	0.91
24-Oct-14	Purchase	65,363	0.01	64,49,201	0.92
31-Oct-14	Purchase	5,45,761	0.08	69,94,962	1.00
21-Nov-14	Sale	(3,000)	(0.00)	69,91,962	1.00
9-Jan-15	Purchase	1,000	0.00	69,92,962	1.00
16-Jan-15	Purchase	2,69,472	0.04	72,62,434	1.03
13-Feb-15	Sale	(20,000)	(0.00)	72,42,434	1.03
6-Mar-15	Sale	(19,914)	(0.00)	72,22,520	1.03
13-Mar-15	Sale	(10,000)	(0.00)	72,12,520	1.03
23-Mar-15	Bonus shares allotted (1:1 ratio)	72,12,520	0.51	1,44,25,040	1.03
27-Mar-15	Sale	(1,50,000)	(0.01)	1,42,75,040	1.02
24-Apr-15	Purchase	2,99,821	0.02	1,45,74,861	1.04
1-May-15	Purchase	4,91,490	0.03	1,50,66,351	1.07
8-May-15	Purchase	6,06,336	0.04	1,56,72,687	1.11
30-Jun-15	Balance at the End of the Year	-	-	1,56,72,687	1.11
WARHOL LIMITED					
1-Jul-14	Opening Balance	76,14,724	1.09	76,14,724	1.09
4-Jul-14	Sale	(66,666)	(0.01)	75,48,058	1.08
11-Jul-14	Purchase	17,23,056	0.25	92,71,114	1.32
18-Jul-14	Sale	(17,23,056)	(0.25)	75,48,058	1.08
1-Aug-14	Sale	(3,90,000)	(0.06)	71,58,058	1.02
5-Sep-14	Sale	(2,00,667)	(0.03)	69,57,391	0.99
12-Sep-14	Sale	(1,28,866)	(0.02)	68,28,525	0.97
30-Sep-14	Sale	(7,14,646)	(0.10)	61,13,879	0.87
3-Oct-14	Sale	(1,06,785)	(0.02)	60,07,094	0.86
10-Oct-14	Sale	(1,83,703)	(0.03)	58,23,391	0.83
5-Dec-14	Sale	(23,400)	(0.00)	57,99,991	0.83
23-Jan-15	Sale	(6,34,600)	(0.09)	51,65,391	0.74
30-Jan-15	Sale	(97,067)	(0.01)	50,68,324	0.72
6-Feb-15	Sale	(19,00,902)	(0.27)	31,67,422	0.45

Date	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
13-Feb-15	Sale	(5,00,000)	(0.07)	26,67,422	0.38
20-Feb-15	Sale	(8,41,000)	(0.12)	18,26,422	0.26
27-Feb-15	Sale	(2,34,000)	(0.03)	15,92,422	0.23
6-Mar-15	Sale	(5,24,167)	(0.07)	10,68,255	0.15
13-Mar-15	Sale	(6,06,669)	(0.09)	4,61,586	0.07
20-Mar-15	Sale	(4,61,586)	(0.07)	-	-
30-Jun-15	Balance at the end of the year	-	-	-	-
CREDIT SUISSE (SINGAPORE) LIMITED					
1-Jul-14	Opening Balance	70,42,359	1.01	70,42,359	1.01
4-Jul-14	Sale	(3,65,213)	(0.05)	66,77,146	0.95
11-Jul-14	Purchase	3,72,197	0.05	70,49,343	1.01
18-Jul-14	Sale	(15,06,700)	(0.22)	55,42,643	0.79
25-Jul-14	Sale	(7,32,558)	(0.10)	48,10,085	0.69
1-Aug-14	Sale	(8,41,783)	(0.12)	39,68,302	0.57
8-Aug-14	Sale	(5,90,118)	(0.08)	33,78,184	0.48
15-Aug-14	Sale	(2,38,474)	(0.03)	31,39,710	0.45
22-Aug-14	Sale	(3,77,321)	(0.05)	27,62,389	0.39
29-Aug-14	Sale	(4,58,934)	(0.07)	23,03,455	0.33
5-Sep-14	Sale	(1,39,760)	(0.02)	21,63,695	0.31
12-Sep-14	Sale	(2,245)	(0.00)	21,61,450	0.31
19-Sep-14	Purchase	55,260	0.01	22,16,710	0.32
30-Sep-14	Sale	(11,955)	(0.00)	22,04,755	0.31
3-Oct-14	Purchase	3,684	0.00	22,08,439	0.31
10-Oct-14	Sale	(12,321)	(0.00)	21,96,118	0.31
17-Oct-14	Purchase	35,315	0.01	22,31,433	0.32
24-Oct-14	Sale	(16,759)	(0.00)	22,14,674	0.32
31-Oct-14	Sale	(31,460)	(0.00)	21,83,214	0.31
7-Nov-14	Sale	(16,347)	(0.00)	21,66,867	0.31
14-Nov-14	Purchase	71,771	0.01	22,38,638	0.32
21-Nov-14	Sale	(1,56,353)	(0.02)	20,82,285	0.30
28-Nov-14	Sale	(2,533)	(0.00)	20,79,752	0.30
5-Dec-14	Purchase	1,29,052	0.02	22,08,804	0.31
12-Dec-14	Purchase	1,28,583	0.02	23,37,387	0.33
19-Dec-14	Sale	(68,700)	(0.01)	22,68,687	0.32
31-Dec-14	Purchase	40,494	0.01	23,09,181	0.33
2-Jan-15	Purchase	359	0.00	23,09,540	0.33
9-Jan-15	Sale	(66,737)	(0.01)	22,42,803	0.32
16-Jan-15	Sale	1,25,728	0.02	23,68,531	0.34
23-Jan-15	Sale	(2,16,257)	(0.03)	21,52,274	0.31
30-Jan-15	Sale	(1,45,652)	(0.02)	20,06,622	0.29
6-Feb-15	Purchase	59,371	0.01	20,65,993	0.29
13-Feb-15	Purchase	50,516	0.01	21,16,509	0.30
20-Feb-15	Purchase	9,771	0.00	21,26,280	0.30
27-Feb-15	Purchase	25,198	0.00	21,51,478	0.31

Date	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
6-Mar-15	Purchase	1,35,487	0.02	22,86,965	0.33
13-Mar-15	Sale	(1,40,369)	(0.02)	21,46,596	0.31
20-Mar-15	Sale	(6,20,301)	(0.09)	15,26,295	0.22
23-Mar-15	Bonus shares allotted (1:1 ratio)	15,26,295	0.11	30,52,590	0.22
27-Mar-15	Purchase	3,17,486	0.02	33,70,076	0.24
3-Apr-15	Purchase	1,01,997	0.01	34,72,073	0.25
10-Apr-15	Purchase	3,63,232	0.03	38,35,305	0.27
17-Apr-15	Sale	(1,51,264)	(0.01)	36,84,041	0.26
24-Apr-15	Sale	(2,20,794)	(0.02)	34,63,247	0.25
1-May-15	Sale	(2,13,606)	(0.02)	32,49,641	0.23
8-May-15	Sale	(2,67,019)	(0.02)	29,82,622	0.21
15-May-15	Purchase	1,91,786	0.01	31,74,408	0.23
22-May-15	Purchase	32,847	0.00	32,07,255	0.23
29-May-15	Purchase	1,35,933	0.01	33,43,188	0.24
5-Jun-15	Sale	(4,68,139)	(0.03)	28,75,049	0.20
12-Jun-15	Purchase	8,16,939	0.06	36,91,988	0.26
19-Jun-15	Purchase	2,01,052	0.01	38,93,040	0.28
26-Jun-15	Purchase	1,06,542	0.01	39,99,582	0.28
30-Jun-15	Purchase	35,795	0.00	40,35,377	0.29
GOVERNMENT OF SINGAPORE INVESTMENT CORPORATION					
1-Jul-14	Opening Balance	51,28,894	0.73	51,28,894	0.73
4-Jul-14	Sale	(8,789)	(0.00)	51,20,105	0.73
11-Jul-14	Purchase	2,82,610	0.04	54,02,715	0.77
18-Jul-14	Sale	(16,078)	(0.00)	53,86,637	0.77
1-Aug-14	Sale	(1,17,374)	(0.02)	52,69,263	0.75
8-Aug-14	Sale	(11,929)	(0.00)	52,57,334	0.75
29-Aug-14	Sale	(10,105)	(0.00)	52,47,229	0.75
5-Sep-14	Sale	(32,087)	(0.00)	52,15,142	0.74
12-Sep-14	Purchase	2,447	0.00	52,17,589	0.74
19-Sep-14	Purchase	82,290	0.01	52,99,879	0.76
30-Sep-14	Purchase	30,857	0.00	53,30,736	0.76
3-Oct-14	Purchase	17,329	0.00	53,48,065	0.76
10-Oct-14	Purchase	31,161	0.00	53,79,226	0.77
17-Oct-14	Sale	(38,981)	(0.01)	53,40,245	0.76
24-Oct-14	Sale	(3,20,988)	(0.05)	50,19,257	0.72
31-Oct-14	Purchase	53,388	0.01	50,72,645	0.72
7-Nov-14	Purchase	1,06,153	0.02	51,78,798	0.74
14-Nov-14	Purchase	6,054	0.00	51,84,852	0.74
21-Nov-14	Sale	(1,18,636)	(0.02)	50,66,216	0.72
28-Nov-14	Sale	(6,917)	(0.00)	50,59,299	0.72
5-Dec-14	Sale	(16,329)	(0.00)	50,42,970	0.72
12-Dec-14	Purchase	32,280	0.00	50,75,250	0.72
19-Dec-14	Sale	(2,882)	(0.00)	50,72,368	0.72
31-Dec-14	Sale	(21,949)	(0.00)	50,50,419	0.72

Date	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
9-Jan-15	Sale	(714)	(0.00)	50,49,705	0.72
16-Jan-15	Purchase	75,698	0.01	51,25,403	0.73
23-Jan-15	Sale	(1,28,465)	(0.02)	49,96,938	0.71
30-Jan-15	Sale	(43,326)	(0.01)	49,53,612	0.71
13-Feb-15	Purchase	95,501	0.01	50,49,113	0.72
20-Feb-15	Sale	(3,257)	(0.00)	50,45,856	0.72
6-Mar-15	Purchase	5,959	0.00	50,51,815	0.72
23-Mar-15	Bonus shares allotted (1:1 ratio)	50,51,815	0.36	1,01,03,630	0.72
27-Mar-15	Purchase	36,518	0.00	1,01,40,148	0.72
3-Apr-15	Purchase	8,092	0.00	1,01,48,240	0.72
10-Apr-15	Purchase	41,959	0.00	1,01,90,199	0.72
24-Apr-15	Sale	(6,78,552)	(0.05)	95,11,647	0.68
1-May-15	Sale	(10,13,095)	(0.07)	84,98,552	0.60
8-May-15	Sale	(1,43,335)	(0.01)	83,55,217	0.59
22-May-15	Sale	(18,210)	(0.00)	83,37,007	0.59
29-May-15	Purchase	37,981	0.00	83,74,988	0.60
5-Jun-15	Purchase	2,96,465	0.02	86,71,453	0.62
12-Jun-15	Sale	(11,404)	(0.00)	86,60,049	0.62
30-Jun-15		-	-	86,60,049	0.62
STICHTING PENSIOENFONDS ABP					
1-Jul-14	Opening Balance	48,32,366	0.69	48,32,366	0.69
4-Jul-14	Purchase	7,983	0.00	48,40,349	0.69
11-Jul-14	Purchase	2,39,829	0.03	50,80,178	0.73
18-Jul-14	Sale	(98,716)	(0.01)	49,81,462	0.71
25-Jul-14	Purchase	90,664	0.01	50,72,126	0.72
1-Aug-14	Purchase	42,297	0.01	51,14,423	0.73
8-Aug-14	Purchase	9,418	0.00	51,23,841	0.73
15-Aug-14	Purchase	25,847	0.00	51,49,688	0.74
22-Aug-14	Purchase	44,344	0.01	51,94,032	0.74
29-Aug-14	Sale	(9,508)	(0.00)	51,84,524	0.74
5-Sep-14	Sale	(2,813)	(0.00)	51,81,711	0.74
12-Sep-14	Sale	(69,079)	(0.01)	51,12,632	0.73
19-Sep-14	Sale	(9,240)	(0.00)	51,03,392	0.73
30-Sep-14	Sale	(17,534)	(0.00)	50,85,858	0.73
10-Oct-14	Sale	(10,658)	(0.00)	50,75,200	0.72
17-Oct-14	Sale	(1,381)	(0.00)	50,73,819	0.72
24-Oct-14	Sale	(6,797)	(0.00)	50,67,022	0.72
31-Oct-14	Sale	(11,491)	(0.00)	50,55,531	0.72
14-Nov-14	Sale	(5,210)	(0.00)	50,50,321	0.72
21-Nov-14	Sale	(1,87,312)	(0.03)	48,63,009	0.69
28-Nov-14	Sale	(23,861)	(0.00)	48,39,148	0.69
5-Dec-14	Sale	(8,728)	(0.00)	48,30,420	0.69
12-Dec-14	Sale	(86,665)	(0.01)	47,43,755	0.68
23-Jan-15	Sale	(15,690)	(0.00)	47,28,065	0.67

Date	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
30-Jan-15	Sale	(5,124)	(0.00)	47,22,941	0.67
6-Feb-15	Sale	(1,03,354)	(0.01)	46,19,587	0.66
13-Mar-15	Sale	(38,228)	(0.01)	45,81,359	0.65
23-Mar-15	Bonus shares allotted (1:1 ratio)	45,81,359	0.33	91,62,718	0.65
17-Apr-15	Sale	(93,543)	(0.01)	90,69,175	0.65
24-Apr-15	Sale	(34,647)	(0.00)	90,34,528	0.64
1-May-15	Sale	(3,30,642)	(0.02)	87,03,886	0.62
8-May-15	Sale	(1,70,079)	(0.01)	85,33,807	0.61
29-May-15	Sale	(38,933)	(0.00)	84,94,874	0.60
5-Jun-15	Sale	(46,470)	(0.00)	84,48,404	0.60
30-Jun-15		-	-	84,48,404	0.60
VANGUARD EMERGING MARKETS STOCK INDEX FUND					
1-Jul-14	Opening Balance	48,07,986	0.69	48,07,986	0.69
11-Jul-14	Sale	(94,184)	(0.01)	47,13,802	0.67
18-Jul-14	Purchase	1,13,959	0.02	48,27,761	0.69
25-Jul-14	Purchase	22,600	0.00	48,50,361	0.69
1-Aug-14	Purchase	36,160	0.01	48,86,521	0.70
22-Aug-14	Purchase	14,125	0.00	49,00,646	0.70
12-Sep-14	Purchase	15,820	0.00	49,16,466	0.70
28-Nov-14	Purchase	15,820	0.00	49,32,286	0.70
5-Dec-14	Purchase	14,125	0.00	49,46,411	0.70
9-Jan-15	Sale	(23,165)	(0.00)	49,23,246	0.70
16-Jan-15	Sale	(10,170)	(0.00)	49,13,076	0.70
23-Jan-15	Sale	(9,605)	(0.00)	49,03,471	0.70
6-Feb-15	Sale	(2,825)	(0.00)	49,00,646	0.70
13-Feb-15	Sale	(11,300)	(0.00)	48,89,346	0.70
23-Mar-15	Bonus shares allotted (1:1 ratio)	48,89,346	0.35	97,78,692	0.70
3-Apr-15	Sale	(16,785)	(0.00)	97,61,907	0.69
1-May-15	Purchase	24,618	0.00	97,86,525	0.70
8-May-15	Purchase	27,975	0.00	98,14,500	0.70
26-Jun-15	Sale	(1,64,218)	(0.01)	96,50,282	0.69
30-Jun-15		-	-	96,50,282	0.69
RELIANCE CAPITAL TRUSTEE CO. LTD A/C					
1-Jul-14	Opening Balance	46,39,840	0.66	46,39,840	0.66
4-Jul-14	Purchase	4,850	0.00	46,44,690	0.66
11-Jul-14	Sale	(18,119)	(0.00)	46,26,571	0.66
18-Jul-14	Sale	1,13,220	0.02	47,39,791	0.68
1-Aug-14	Sale	(99,985)	(0.01)	46,39,806	0.66
8-Aug-14	Purchase	31,500	0.00	46,71,306	0.67
15-Aug-14	Sale	(1,00,001)	(0.01)	45,71,305	0.65
22-Aug-14	Sale	(35)	(0.00)	45,71,270	0.65
29-Aug-14	Purchase	1,39,932	0.02	47,11,202	0.67
5-Sep-14	Purchase	60,159	0.01	47,71,361	0.68
12-Sep-14	Sale	(40,016)	(0.01)	47,31,345	0.67

Date	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
19-Sep-14	Sale	(9)	(0.00)	47,31,336	0.67
30-Sep-14	Sale	(74,860)	(0.01)	46,56,476	0.66
3-Oct-14	Sale	(3)	(0.00)	46,56,473	0.66
17-Oct-14	Purchase	40	0.00	46,56,513	0.66
24-Oct-14	Purchase	1,21,080	0.02	47,77,593	0.68
31-Oct-14	Purchase	36,576	0.01	48,14,169	0.69
7-Nov-14	Purchase	89,987	0.01	49,04,156	0.70
14-Nov-14	Sale	(17)	(0.00)	49,04,139	0.70
21-Nov-14	Sale	53,463	0.01	49,57,602	0.71
28-Nov-14	Purchase	15,725	0.00	49,73,327	0.71
5-Dec-14	Sale	(765)	(0.00)	49,72,562	0.71
12-Dec-14	Sale	1,69,700	0.02	51,42,262	0.73
19-Dec-14	Purchase	2,08,040	0.03	53,50,302	0.76
31-Dec-14	Purchase	4,00,316	0.06	57,50,618	0.82
2-Jan-15	Purchase	612	0.00	57,51,230	0.82
9-Jan-15	Purchase	78,052	0.01	58,29,282	0.83
16-Jan-15	Sale	(3)	(0.00)	58,29,279	0.83
23-Jan-15	Sale	(63,750)	(0.01)	57,65,529	0.82
30-Jan-15	Purchase	1,20,241	0.02	58,85,770	0.84
6-Feb-15	Purchase	5,58,299	0.08	64,44,069	0.92
13-Feb-15	Sale	(1,63,301)	(0.02)	62,80,768	0.89
20-Feb-15	Sale	(99,834)	(0.01)	61,80,934	0.88
27-Feb-15	Sale	(23,820)	(0.00)	61,57,114	0.88
6-Mar-15	Sale	(1,49,728)	(0.02)	60,07,386	0.85
13-Mar-15	Sale	(1,53,246)	(0.02)	58,54,140	0.83
20-Mar-15	Sale	(2,41,192)	(0.03)	56,12,948	0.80
23-Mar-15	Bonus shares allotted (1:1 ratio)	56,12,948	0.40	1,12,25,896	0.80
27-Mar-15	Sale	(1,25,488)	(0.01)	1,11,00,408	0.79
3-Apr-15	Purchase	670	0.00	1,11,01,078	0.79
10-Apr-15	Purchase	1,48,471	0.01	1,12,49,549	0.80
17-Apr-15	Sale	(31,073)	(0.00)	1,12,18,476	0.80
24-Apr-15	Sale	2,329	0.00	1,12,20,805	0.80
1-May-15	Purchase	561	0.00	1,12,21,366	0.80
8-May-15	Sale	(1,03,933)	(0.01)	1,11,17,433	0.79
15-May-15	Purchase	313	0.00	1,11,17,746	0.79
22-May-15	Purchase	542	0.00	1,11,18,288	0.79
29-May-15	Sale	(48,869)	(0.00)	1,10,69,419	0.79
5-Jun-15	Purchase	110	0.00	1,10,69,529	0.79
12-Jun-15	Purchase	1,81,587	0.01	1,12,51,116	0.80
19-Jun-15	Purchase	50,881	0.00	1,13,01,997	0.80
26-Jun-15	Purchase	51,999	0.00	1,13,53,996	0.81
30-Jun-15	Purchase	3,36,806	0.02	1,16,90,802	0.83
HSBC GLOBAL INVESTMENT FUNDS A/C					
1-Jul-14	Opening Balance	44,37,895	0.63	44,37,895	0.63

Date	Shareholder's Name	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
4-Jul-14	Sale	(52,775)	(0.01)	43,85,120	0.63
11-Jul-14	Purchase	2,80,680	0.04	46,65,800	0.67
18-Jul-14	Sale	(4,63,672)	(0.07)	42,02,128	0.60
29-Aug-14	Sale	(1,47,943)	(0.02)	40,54,185	0.58
5-Sep-14	Sale	(45,145)	(0.01)	40,09,040	0.57
12-Sep-14	Sale	(31,918)	(0.00)	39,77,122	0.57
30-Sep-14	Sale	(27,207)	(0.00)	39,49,915	0.56
31-Oct-14	Purchase	2,75,013	0.04	42,24,928	0.60
14-Nov-14	Purchase	1,04,125	0.01	43,29,053	0.62
21-Nov-14	Purchase	35,420	0.01	43,64,473	0.62
12-Dec-14	Purchase	76,946	0.01	44,41,419	0.63
6-Feb-15	Sale	(2,13,176)	(0.03)	42,28,243	0.60
20-Feb-15	Sale	(42,083)	(0.01)	41,86,160	0.60
27-Feb-15	Sale	(23,309)	(0.00)	41,62,851	0.59
13-Mar-15	Sale	(45,283)	(0.01)	41,17,568	0.59
20-Mar-15	Sale	(8,500)	(0.00)	41,09,068	0.58
23-Mar-15	Bonus shares allotted (1:1 ratio)	41,09,068	0.29	82,18,136	0.58
27-Mar-15	Sale	(1,00,000)	(0.01)	81,18,136	0.58
10-Apr-15	Purchase	52,853	0.00	81,70,989	0.58
15-May-15	Sale	(62,956)	(0.00)	81,08,033	0.58
29-May-15	Sale	(1,21,041)	(0.01)	79,86,992	0.57
30-Jun-15		-	-	79,86,992	0.57
DALI LIMITED					
1-Jul-15	Opening Balance	38,07,201		38,07,201	
4-Jul-14	Sale	(33,332)	(0.00)	37,73,869	0.54
11-Jul-14	Purchase	8,61,731	0.12	46,35,600	0.66
18-Jul-14	Sale	(8,61,731)	(0.12)	37,73,869	0.54
1-Aug-14	Sale	(1,95,000)	(0.03)	35,78,869	0.51
5-Sep-14	Sale	(1,00,333)	(0.01)	34,78,536	0.50
12-Sep-14	Sale	(64,434)	(0.01)	34,14,102	0.49
30-Sep-14	Sale	(3,57,322)	(0.05)	30,56,780	0.44
3-Oct-14	Sale	(53,393)	(0.01)	30,03,387	0.43
10-Oct-14	Sale	(91,851)	(0.01)	29,11,536	0.42
5-Dec-14	Sale	(11,700)	(0.00)	28,99,836	0.41
23-Jan-15	Sale	(3,17,300)	(0.05)	25,82,536	0.37
30-Jan-15	Sale	(48,533)	(0.01)	25,34,003	0.36
6-Feb-15	Sale	(9,50,498)	(0.14)	15,83,505	0.23
13-Feb-15	Sale	(2,50,000)	(0.04)	13,33,505	0.19
20-Feb-15	Sale	(4,20,500)	(0.06)	9,13,005	0.13
27-Feb-15	Sale	(1,16,500)	(0.02)	7,96,505	0.11
6-Mar-15	Sale	(2,60,833)	(0.04)	5,35,672	0.08
13-Mar-15	Sale	(3,03,331)	(0.04)	2,32,341	0.03
20-Mar-15	Sale	(2,32,341)	(0.03)	-	-
30-Jun-15		-	-	-	-

Note: Since the shares of the Company are traded on a daily basis, the dates of above sale/ purchase have been derived from the Beneficiary position statements received from Depositories.

ANNEXURE-3 TO THE DIRECTORS' REPORT**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

During the financial year 2014-15, HCL Technologies Limited ('HCLT') has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length.

2. Details of material contracts or arrangement or transactions at arm's length basis

(a) Name(s) of the related party and nature of relationship:

HCL America Inc., ('HCLA') a wholly owned step down subsidiary of the Company in United States of America.

(b) Nature of contracts/arrangements/transactions:

Rendering / obtaining of services, product sales and other miscellaneous income.

(c) Duration of the contracts / arrangements/transactions:

Ongoing.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

HCLT shall (i) provide IT/ITES services to the existing and new clients of HCLA including various support and general administrative services as may be required from time to time; (ii) HCLA shall provide IT/ITES services including the sales and marketing support services to HCLT; (iii) both the parties shall diligently perform their respective obligation under the contracts in timely manner and provide services in accordance with the work order issued by the customer; (iv) both the parties shall submit invoices on timely basis for the services provided for each project to each other as per the terms of contract and promptly pay the same; (v) be responsible for all the expenses incurred in connection with providing its services; and (vi) comply with the local, state and federal laws and regulations applicable while providing services. The total value of transactions entered into with HCL America Inc. during the year ended June 30, 2015 is Rs. 6,654.48 crores.

(e) Date(s) of approval by the Board, if any:

Not applicable, since the contract was entered into in the ordinary course of business and on arm's length basis.

(f) Amount paid as advances, if any:

Nil.

For and on behalf of the Board of Directors

Place: Noida, U.P., India

Date: August 3, 2015

SHIV NADAR

Chairman and Chief Strategy Officer

ANNEXURE-4 TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The objective of the CSR policy ("Policy") of the Company is to lay down guidelines for proper execution of CSR activities of the Company so as to support the sustainable development of the society. The Company has set up HCL Foundation to focus on the CSR activities of the Company. The CSR activities, projects and programmes undertaken by the Company shall be those as approved by the CSR committee and are covered under the areas set out in Schedule VII of the Companies Act, 2013. The Company is doing CSR expenditure in Education, Infrastructure, Women Development and Health. Details of the CSR policy on the website of the Company at <http://www.hcltech.com/about-us/corporate-governance/governance-policies>.

2. The composition of the CSR Committee.

CSR Committee comprises of Mr. Shiv Nadar (Chairman), Ms. Roshni Nadar Malhotra and Mr. Subramanian Madhavan.

3. Average net profit of the company for last three financial years. Rs. 4,499.27 crores

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) Rs. 89.99 crores

5. Details of CSR spent during the financial year

(a) Total amount to be spent for the financial year: Rs. 89.99 crores

(b) Amount unspent, if any; Rs. 83.83 crores

(c) Manner in which the amount spent during the financial year is detailed below.

Sl. No.	CSR project or activity Identified/beneficiary	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise (Rs./Lacs)	Amount spent on the projects or programs Sub-heads (1) Direct expenditure projects or programs (2) Overheads (Rs./Lacs)*	Cumulative expenditure upto the reporting period (Rs./Lacs)	Amount spent: Direct or through implementing agency. (Rs./Lacs)
1	Kochi Biennele Foundation	Arts and culture	Cochin	55	28	28	Through HCL Foundation
2	Banyan	Destitute care and rehabilitation	Chennai	13.5	13.5	13.5	do
3	Livelihood training	Empowerment for women	Chennai/Bangalore/Noida	3	1.64	1.64	do
4	Friendi coes Seca	Ensuring animal welfare	Noida	5.92	5.92	5.92	do
5	Atmashakti Trust	Eradicating Hunger and Poverty	Odisha, Uttar Pradesh	25	25	25	do
6	CHES, Desire society, GLRA India, SHEOWS, Sneha care home, South India Positive network	Health care and medical facilities	Uttar Pradesh, Chennai, Hyderabad, Delhi, Noida, Bangalore	44.38	44.38	44.38	do
7	After school coaching centers, Banyan, CASP, Happy hours, Hope Foundation, Lions club, Mukthi rehabilitaion trust, OM Foundation, PRATHAM, Ramakrishna mission, Ramakrishna Vivekananda mission, Reaching	Improving the quality of education	Chennai/Bangalore/ Tumkur/Hyderabad, Noida Mumbai, Kolkata, Tumkur, Denkanikottai (Tamil Nadu)	352.09	351.85	351.85	do
8	EFRAH, Skill Development Centres, VVKI	Livelihood enhancement project	Noida, Chennai	40.04	33.58	33.58	do
9	Aide et action, Sahyog Care for You	Livelihood enhancement project and improving the quality of education	Chennai/Noida/Delhi	84.5	84.5	84.5	do
10	V Shesh	Livelihood enhancement project for differently abled	Chennai/Noida	8.25	4.5	4.5	do
11	Ashray Akruithi	Promoting special education	Hyderabad	3.6	3.6	3.6	do
12	Project Samuday	Rural Development	Uttar Peadesh	623.09	105.5	105.5	do
13.	Over head expenses	Administration expenses		25	14.84	14.84	do
Total				1283.37	716.81	716.81	

* The Company undertakes CSR activities through HCL Foundation, a Trust established by the Company. During the year, the Company has contributed ₹ 616.50 lacs to HCL Foundation for CSR activities. The Trust also collected contributions from others to the extent of ₹ 171.80 lacs. As on June 30, 2015, ₹ 71.49 lacs were available as cash balance with HCL Foundation. During the year, the Company has also set up a subsidiary under section 8 of the Companies Act, 2013 to undertake CSR activities and contributed ₹ 5 lacs towards the initial capital contribution.

6. The Company's objectives has been to play a larger role in India's sustainable development and bring in an optimal social impact. Towards this end, it identified the following areas where it would be spending the monies.

- Rural development, Improving the quality of education, Health care and medical facilities, Livelihood enhancement etc.

These projects are currently at their initial stages. During the year ended June 30, 2015, the Company spent Rs. 616.50 lacs on the above projects. These projects will gain momentum and scale up going forward. The Company is in continuous process of evaluating more avenues for CSR expenditure which can have a qualitative longer-term impact on societal issues.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

Anant Gupta

President and Chief Executive Officer

Shiv Nadar

Chairman, Corporate Social Responsibility Committee

Place: Noida, U.P., India

Date: August 3, 2015

ANNEXURE-5 TO THE DIRECTORS' REPORT

Particulars pursuant to section 134 (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

a) Conservation of Energy

Green IT

In our continued endeavor to build a balanced ecosystem and maintain a cohesive relationship with the environment, our key initiatives are designed to conserve the environment and also grow our ongoing GREEN initiatives to sustain the move towards GREEN IT, across the world. The Company has strengthened its approach during the year to provide energy efficient solutions for our day-to-day operations, recycle electronic products, manage e-waste disposal responsibly and focus on server virtualization and consolidation to reduce energy consumption and reduce carbon footprint.

All efforts to provide sustainable IT support for day-to-day operations by the IT services department have brought the following recognition during the year:

Global CIO Impact Awards

- Company's Private Cloud Service awarded the best under Cloud Computing category, as part of the Global CIO Impact Awards
- Go-Mobile! initiative of the Company has been acknowledged as the best in class under the Mobility section

CIO 100 Award

- Company's adoption of CLOUD has been awarded under CIO 100 Cloud Conqueror category

SAP Insider Forum

- BI journey of the Company has been recognized industry wide, in the SAP insider Forum

Microsoft Award

- Company's adoption of Office365 was awarded the Pioneer Investor in Cloud Services & Solutions

EMC – World Forum

- Company's adoption to Cloud awarded as Best Project at EMC World Forum

Building Infrastructure

While designing the buildings, employee comfort aspects as well as green infrastructure requirements are considered, and synergy in the construction efforts is ensured. The operations of your Company are less energy intensive than industries in the manufacturing sector. However, some key initiatives have been embarked to reduce power consumption and water usage such as:

- Roof Top Solar power Generation through Solar panels
- Solar water heater at Café terraces for water requirements in the kitchen and in the showers rooms in the gymnasiums and nap rooms in Chennai and Bangalore campus
- Underground Rainwater storage tank of 75,000 ltrs capacity put in operation in Chennai and Bangalore campus
- Generation of water through reverse osmosis for campus drinking water requirement and kitchen requirement
- Open Recharge ponds and wells created to supplement ground water
- Installing reliable meters that provide information about and help control water, heating, gas and electricity usage.
- Designing and selecting the HVAC (heating, ventilation and air conditioning) system and lighting equipment to maximize energy performance.
- Installing energy efficient light fixtures (LEDs, T-5 ballasts, and compact fluorescents).
- Day lighting sensors that can dim and/or turn off lighting if sufficient daylight is present. Occupancy sensors help control lighting in areas where occupancy is more intermittent (like washrooms, storage spaces, janitor rooms, etc.) to ensure lights are not left on unnecessarily.
- Energy efficient appliances (Energy Star photocopiers, printers, fax machines, computers, etc.) with embedded sleep mode.
- LCD computer screens with dual energy savings – they use 1/3 less energy in operations than CRT monitors and produce less heat, resulting in reduced cooling needs.
- Aerators for water taps for water optimization.
- High efficiency UPS have been installed to reduce energy loss.

- Purchase of green power (Hydro Power) from Third Party through open access.
- Improving energy efficiency of existing Chillers and AHU.
- Sewer treatment plant (STP) is installed within campus to treat the sewer water and reuse for flushing, landscaping and HVAC make up water.

Carbon Footprint measurement

Manage Carbon, an IT solution around GHG Protocol for corporate standard, was developed and deployed for measuring and reporting carbon emissions. The technologies used in the solution are primarily open-source technologies to keep a low cost footprint. It integrates with various other enterprise applications containing electricity data, travel data, fuel data etc., using multiple approaches ranging from database level integration to web services based integration (both push and pull modes), in addition to providing options for direct entry of information. This tool has been successfully piloted and helped the Company to monitor and report on carbon emissions.

This initiative by the Company has earned the recognition by CDP (Carbon Disclosure Project) which is an international climate reporting initiative by WWF (World Wide Fund for Nature). Your Company also participates in the Carbon Disclosure Project and furnishes its figures in the report every year.

- Employee travel has been reduced by introducing a “check box” in the travel application to encourage video conferencing capability, Telepresence and reduce negative impact on environment.
- Technology upgrade and refresh for machines (desktops/laptops) to PBX or server consolidations via SIP recording for multiple locations has been done during the year. We have undertaken consolidation of the office buildings and moved them. Also we have consolidated four of the critical data centers into existing premises, thus reducing multiple carbon footprints.
- Accumulating and disposing e-waste is an important greenhouse effect and we are setting up processes for the same. In this year, assets have been disposed under e-waste and large area has been vacated for reuse.
- The EHS (Employee, Health and Safety) department has digitized employee records. An enterprise level content and records management system has been implemented to ingest documents received through different input channels like physical documents, documents and forms existing in different applications and already digitized documents originating from emails, office productivity tools like MS-Office.
- An online paperless claims process has been set up for employees travel, flexi payments etc. This also reduces the cycle time of claim process and increases employee satisfaction.
- Business applications are being moved to best-in-class SaaS providers (Kenexa, SFDC, SAP Success Factor).

b) Research and Development (“R & D”)

(i) Specific areas in which R&D was carried out

Your Company is carrying out R&D:

- On Multi - layered Internet of Things (IoT) reference stack and Machine-to-Machine (M2M) solutions to support product companies and service providers to enable them to accelerate IoT adoption by providing end-end System Integration (SI).
- On framework to automate the testing process for embedded devices, by creating methods for input simulation and output capturing using reusable libraries or COTS (Commercial-off the shelf) tools to accelerate the test methodology.
- On frameworks to address the challenges faced by enterprises in testing mobile applications on Android, iOS and Windows platforms in the areas of distributed testing of devices spread across geographies, concurrent testing of applications on multiple devices and sharing of device resources across teams distributed geographically.
- On methods to optimize different lifecycle processes through data analytics using sentiment analysis, natural language processing, machine learning and other data mining algorithms.
- On frameworks that can blend into existing test infrastructure of customers and enable more coverage for existing automation testing.
- On Next-Gen Technologies like eDAT (Electronic Device Automation Testing), ISE (Intelligent Sustenance Engineering) and Product Intelligence.

(ii) Benefits derived as a result of above R&D

Your Company's solutions and frameworks are focused in creating value to customers in specific micro verticals. The direct benefits to the customers include acceleration of new software development with improved quality, quicker time to market, faster release cycles for new feature updates, reduced cost, increased quality, cycle times of testing for mobile applications with increased coverage of application functionality and device matrix, improved coverage by simulation, acceleration of product development towards adoption of Internet of Things by Product Companies and increased efficiency of customer business processes. Our solutions like Business

Aligned IT will result in enhanced business performance through improved KPIs, visibility, discovered landscape, stability, cost reduction and structured business future planning.

(iii) Future plan of action

Your Company plans following actions in the future:

- To accelerate the process of design, development, testing & reengineering of existing and new products benefiting from Next Gen Technology.
- Invest in Multi platform – Multi device initiatives to reach wider audience.
- Re-use of test scripts to test applications delivered on multiple channels (Mobile, Browser, and Desktop).
- Automation of product level testing using Robotics and Multimedia testing.
- Build requirements in standard format and generate a partial working application from these models and build test cases / test data from these models and automate test generation for these applications that will be relevant for smaller applications / Mobile applications.
- Work on upcoming technologies like Augmented Reality, NLP/NLI, Gesture controls etc.; Mobile Infrastructure Technologies like LTE, 2G/3G, Microwave.
- Develop framework to improve productivity and reduce time to market for remediation and recall scenarios.
- Develop framework to improve embedded device security by creating reusable components.
- Develop framework for reusable components/ connectivity.
- Work on new use cases such as bug localization, bug prioritization and impact analysis etc. Strengthen current data extraction, transformation and mapping methods, workflow and models.

(iv) Expenditure on R&D for the years ended June 30, 2015 and 2014 are as follows:

(₹ in crores)

Particulars	June 30, 2015	June 30, 2014
Revenue expenditure	181.77	152.73
Capital expenditure	-	-
Total R&D expenditure	181.77	152.73
R&D expenditure as a percentage of revenues	1.06%	0.93%

c) Technology absorption, adaptation and innovation

Your Company’s core business demands adoption of emerging technologies to stay ahead of competition. Your Company has made investments in emerging technologies like Social, Mobile, Analytics and Cloud in line with market needs and stays relevant to its customers. Our Digital Systems Integration (DSI) strategy to transform legacy driven traditional organization to a Digitized Corporation has been well received by the market place.

Your company has made significant investments in the area of Cloud, Social and Mobile based solutions to bring Operational efficiencies and reduce cycle time in the area of Talent Management and Development, Talent Supply Chain Optimization and increase collaboration to foster innovation. The Company’s operations do not require significant import of Technology.

Technology absorption at HCL

We are in a multi-year IT transformation journey centered around some themes.

1. Resilient and Highly Available IT Infrastructure
2. Standardization of Processes, Applications and Business Metrics to run the business. This includes elimination of line of business specific solutions where it makes sense
3. Adoption of newer technologies like SMAC to further our digitalization journey

Enterprise application landscape at HCL has more than 140+ closely integrated applications centrally hosted in multiple data centers and a backend integrated SAP platform. As part of the strategic agenda, your company is driving transformation in its key business processes to impact business productivity and performance. Over last couple of years the Company has taken a huge simplification drive to rationalize its IT Application landscape and adopted SaaS model to move these applications to Cloud.

Platforms of Competitive Differentiation

Your Company has also made significant investments in the area of Talent Supply Chain Optimization, Employee Goals and performance Management, Onboarding and Learning Management Systems. It has invested in additional tools for Contract Life cycle management, Contract compliance and Contract authoring tools. The Opportunity management to revenue forecasting tools are further reengineered to integrate more processes. Your Company has also adopted learning and search automation tools to reengineer its talent fulfillment processes.

HCL Go-Mobile! program

A major part of employee transactions are mobile enabled now. Currently most of the Company's workforce actively uses the internal mobile apps to drive productivity. These apps are developed around employee approvals, transactions and reporting aspects. Mobile device management and application management layers are also deployed. This state of art deployment has garnered us recognition from both our clients and external agencies. Your Company has recently won the CIO Impact award for the best in class Enterprise mobility program, organized by Frost & Sullivan.

Cloud Adoption

Your Company is increasingly moving to Cloud both IaaS (Infrastructure as a Service) for internal Corporate and Customer Delivery needs and moved away from investing in dedicated infrastructure. This has also resulted into reduced cycle times. Your Company has also adopted O365 for moving email to the cloud for 30,000+ mailboxes. Several proofs of concepts are done for more workloads to move to Public cloud.

Improved Resilience and Security posture

Your Company has further strengthened the IT base line controls in its environment with tight sustenance targets around disk encryption, Data Leak Prevention, Operating System and antivirus patch updates. Moreover, security posture is improved with investments in adaptive authentication, Wireless IPS and elimination of Single Point of Failures (SPOFs). Several POCs are done for next generation firewalls and DDoS protection services.

All traditional telephony infrastructures are migrated to Global IP Trunk Services (GIS) platform. With implementation of GIS services in the Company, calls from anywhere on the Globe can be collected and transported to the desired delivery locations over the Company's MPLS Cloud and there is a complete redundancy in call collection layer in case of disaster situation. All legacy IT telephony infrastructure has already been modernized to IP based technology. Your Company has also completed its MPLS transformation at the network layer.

Virtualization and consolidation

Your Company has augmented its internal private cloud capacity to 2000+ Virtual Machines. Enterprise storage landscape is being consolidation at hub locations. Internally, the Company offers different VDI configuration to cater to diverse engagement needs. The VDI footprint has also grown to 7000+ in last one year with healthy pipeline for coming year. Your Company has won accolades for its cloud initiatives at CIO 100 Award in "Cloud Conqueror" category and CIO Impact awards in "Cloud Computing" category.

Collaboration

Edna-The Experts Discovery, Nurture and Actualize Program is a Microsoft Lync enabled instant messaging service to unlock knowledge and simplifying information exchange with experts in different technologies or with specific domain knowledge. The Company's employees seamlessly collaborate in real time with 9000+ experts 24/7 making it the most sought after high priority change management channel in the organization.

Over the last five years, Good Practice Conference (GPC) has emerged as a primary platform for knowledge building and sharing of most adoptable Good Practices. This year, your Company has seen a tremendous increase in paper submissions with major proportion papers on innovations and continuous improvement.

Internal Knowledge Management platforms are migrated to SharePoint 2013 architecture for additional capabilities like optimized viewing, collaboration and search to enhance social presence and improved user experience.

Risk and Compliance

Your Company has made significant investments in the area of Operational risk management, DR/BCP, Privacy, Export Compliance, and Third party risk management in establishing new policies, frameworks, and people capabilities.

d) Foreign exchange earnings and outgo

Your Company is an export-oriented unit and the majority of the Information Technology and Business Process Outsourcing services by the Company are for clients outside India.

Activities relating to exports, initiatives taken to increase the exports, development of new export markets for products and services and export plans-

During the year, a substantial portion of the revenue of the Company was derived from the exports. During the year, your Company has set up 11 step down subsidiaries across the globe to enhance its business. The various global offices of the Company are staffed with sales and marketing specialists, who promote and sell services to large international clients.

The foreign exchange earned and spent by the Company during the year under review is as follows:

(₹ in crores)

Particulars	June 30, 2015	June 30, 2014
Foreign exchange earnings	14,684.51	14,239.77
Foreign exchange outgo		
- Expenditure in foreign currency	1,535.76	1,419.40
- CIF value of imports		
capital goods	142.75	138.25
others	58.28	28.86
- Dividend remitted in foreign currency	407.78	191.95
	2,144.57	1,778.46

For and on behalf of the Board of Directors

Place: Noida, U.P., India
Date: August 3, 2015

SHIV NADAR
Chairman and Chief Strategy Officer

ANNEXURE-6 TO THE DIRECTORS' REPORT

Directors' Responsibility Statement as required under section 134(3)(c) of the Companies Act, 2013:

- a) The financial statements have been prepared in accordance with the accounting standards issued by the Institute of Chartered Accountants of India and the requirements of the Companies Act, 2013 to the extent applicable to the Company. There have been no material departures from prescribed accounting standards while preparing these financial statements;
- b) The Board of Directors has selected the accounting policies described in the notes to the accounts, which have been consistently applied, except where otherwise stated. The estimates and judgments relating to the financial statements have been made on a prudent basis, in order that the financial statements reflect in a true and fair manner, the state of affairs of the Company as at June 30, 2015 and the profit of the Company for the year ended on that date;
- c) The Board of Directors has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts have been prepared on the historical cost convention, as a going concern and on the accrual basis;
- e) The Board of Directors has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) The Board of Directors has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

For and on behalf of the Board of Directors

Place: Noida, U.P., India
Date: August 3, 2015

SHIV NADAR
Chairman and Chief Strategy Officer

ANNEXURE-7 TO THE DIRECTORS' REPORT

DETAILS ON STOCK OPTION PLANS

1999 Stock Option Plan / 2000 Stock Option Plan / 2004 Stock Option Plan

Pursuant to the approval of the shareholders, your Company had instituted the 1999 Stock Option Plan ("1999 Plan"), 2000 Stock Option Plan ("2000 Plan") and 2004 Stock Option Plan ("2004 Plan") for all eligible employees of the Company and its subsidiaries. The 1999 Plan, 2000 Plan and 2004 Plan are administered by the Compensation Committee of the Board and provide for the issuance of 20,000,000, 15,000,000 and 20,000,000 options, respectively.

Each option granted under the 1999 Plan, 2000 Plan and 2004 Plan, entitled the holder to four equity shares of the Company. The Company issued bonus shares in the proportion of one equity shares of ₹ 2 held by the equity shareholders of the Company on a record date of March 20, 2015. Post this, the entitlement of the Stock Option holders increased to 8 equity shares of ₹ 2 each against each option exercised.

The details of the options granted under the 1999, 2000 and 2004 Plans are given below:

S. No.	Description	1999 Plan	2000 Plan	2004 Plan
1.	Total number of options granted (gross)	2,66,00,874	1,77,47,401	84,24,132
2.	The pricing formula	Market price / internal valuation	Market price	Market price / price determined by Compensation Committee
3.	Number of options vested	1,75,29,862	1,04,66,138	51,69,425
4.	Number of options exercised	1,39,57,786	74,70,809	48,80,377
5.	Total number of shares arising as a result of exercise of options	11,16,62,288	5,97,66,472	3,90,43,016
6.	Number of options lapsed & Forfeited	1,26,43,088	1,02,76,592	25,16,476
7.	Variation in terms of options	None	None	None
8.	Money realized by exercise of options (Rs. crores)	516.19	434.43	13.09
9.	Total number of options in force as on June 30, 2015	-	-	10,27,279
10.	Grant to Senior Management			
	Number of Options	19,67,175	2,54,904	29,87,600
	Vesting Period	110 Months	104 Months	96 Months

The diluted earnings per share were ₹ 44.91 and ₹ 42.26 for the fiscal years ended June 30, 2015 and 2014 respectively.

ANNEXURE-7 TO THE DIRECTORS' REPORT (contd.)
Details of Stock Option Plans for the year ended June 30, 2015

Particulars	1999 Plan	2000 Plan	2004 Plan
Total number of options outstanding as on July 1, 2014	1,25,823	2,10,241	17,28,849
Number of options granted during the year	-	-	-
Pricing formula	Market price / internal valuation	Market price	Market price / price determined by Compensation Committee
Number of options vested during the year	-	-	4,23,120
Number of options exercised during the year	1,01,849	1,67,144	4,84,214
Total number of shares arising as a result of exercise of options during the year	8,14,792	13,37,152	38,73,712
Number of options lapsed & Forfeited during the year	23,974	43,097	2,17,356
Variation in terms of options	None	None	None
Money realised by exercise of options during the year (Rs. crores) (includes issued through Trust)	6.54	10.64	0.91
Total number of options in force as on June 30, 2015	-	-	10,27,279
Employees granted options equal to 5% or more of the total number of options granted during the year	None	None	None
Employees granted options equal to or exceeding 1% of the issued capital during the year	None	None	None
Fair value compensation cost for options granted (Rs. crores)	N.A.	N.A.	N.A.
Weighted average exercise price of options granted above market price	N.A.	N.A.	N.A.
Weighted average fair value of options granted above market price	N.A.	N.A.	N.A.
Weighted average exercise price of options granted at market price	N.A.	N.A.	N.A.
Weighted average fair value of options granted at market price	N.A.	N.A.	N.A.
Weighted average exercise price of options granted below market price (Rs.)	N.A.	N.A.	N.A.
Weighted average fair value of options granted below market price (Rs.)	N.A.	N.A.	N.A.
Method and significant assumptions used during the year to estimate the fair values of options			
Method	Black schole	Black schole	Black schole
Significant assumptions			
Risk free interest rate	7.80%	7.80%	7.80%
Expected life	upto 56 months	upto 56 months	upto 56 months
Expected Volatility	30.80%	30.80%	30.80%
Expected Dividend	2.02%	2.02%	2.02%
The price of the underlying options in market at the time of grant (Rs.)	N.A.	N.A.	N.A.

ANNEXURE-7 TO THE DIRECTORS' REPORT (contd.)
Pre IPO Details of Stock Option Plan

Particulars	As on June 30, 2015 ESOP 1999 Plan
Number of options granted pre IPO	1,42,23,832
Pricing formula	Internal valuation
Number of options vested	1,16,48,957
Number of options exercised	1,02,34,702
Total number of shares arising as a result of exercise of options	4,09,38,808
Number of options lapsed	39,89,130
Variation in terms of options	None
Money realised by exercise of options (Rs. crores)	259.41
Total number of options in force as on June 30, 2015	-
Fair value compensation cost for options granted (Rs. crores)	43.96
Weighted average exercise price of options granted (Rs.)	255.00
Weighted average fair value of options granted (Rs.)	36.65
Method used to estimate the fair values of options	Black-Scholes Method
Significant assumptions	
Risk free interest rate	10.00%
Expected life	12 to 110 months
Expected volatility	-
Expected dividends	0.10%

Employee Compensation Cost based on fair value of the options

Particulars	Year ended 30 June 2015
	(Rs. Crores)
Net income, as reported	6,345.95
Add: Stock-based employee compensation expense included in reported net income	(15.39)
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards	(7.71)
Proforma net income	6,338.27
Earnings per share	Rs.
As reported - Basic	45.17
- Diluted	44.91
Adjusted pro forma - Basic	45.12
- Diluted	44.86
Method and significant assumptions used during the year estimate the fair values of options	Black-Scholes Method
Significant assumptions	
Dividend yield %	2.02%
Expected life	upto 56 months
Risk free interest rates	7.80%
Volatility	30.80%

Note: Overall ESOP charge is negative for the year due to reversal of charge related to performance based options.

ANNEXURE-7 TO THE DIRECTORS' REPORT (contd.)

Details of options granted to Senior Managerial Personnel (including Key Managerial Personnel) of the Company during the year ended June 30, 2015
None

Details of options granted to employees amounting to 5% or more of the options granted during the year ended June 30, 2015
None

Details of options granted to employees during the year ended June 30, 2015, amounting to 1% or more of the issued capital of the Company at the time of the grant
None

For and on behalf of the Board of Directors

Place: Noida, U.P., India
Date: August 3, 2015

SHIV NADAR
Chairman and Chief Strategy Officer

ANNEXURE-8 TO THE DIRECTORS' REPORT

Information for Director's Report under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. EMPLOYED FOR FULL FINANCIAL YEAR - 2014-15

Sl. No.	Name	Age (in years)	Designation	Educational Qualification	Remuneration (in ₹)	Date of Joining	Experience in Years	Previous Employment	Designation held in previous appointment	Previous employment held since
1.	Ajit Krishnankutty Kumar	51	President-Systems Integration & Appln. Delivery	MBA - Marketing	35,524,240	01.07.2013	27	Accenture Services Pvt. Ltd.	Managing Director	Jun.88
2.	Amit Roy	56	Executive Vice President - Taxation	CA	12,717,438	16.07.2007	31	Samsung India Electronics Pvt. Ltd.	Vice President - Taxation	Sep.06
3.	Amitava Sengupta	45	Vice President	M.Tech - Computer Science	7,256,592	26.10.2009	21	Tata Consultancy Services Ltd.	Sr. Consultant / IOU Head	Apr.94
4.	Amrita Das	40	Associate Director - Practice & Services	MBA	6,535,765	21.07.2008	15	Dilithium Software Technologies India (P) Ltd.	Manager - HR	Jun.07
5.	Anand Rajaganesan	42	Vice President - Rewards, C&T Management	MBA - Personnel Management & Industrial Relations	6,687,636	01.02.2010	17	Bharti Airtel Limited	General Manager - Talent Management & Organisation Effectiveness	Oct.09
6.	Anant Gupta	50	President and Chief Executive Officer	M.Sc. (Engineering)	286,604,087	25.07.2012	27	HCL Comnet Systems & Services Ltd.	President	Nov.93
7.	Anil Kumar Chanana	57	Chief Financial Officer	CA	81,419,097	01.10.1998	34	HCL Technologies America Inc.	Executive Vice President	Dec.85
8.	Anup Dutta	56	Executive Vice President	B.Tech - Electrical, M.Tech - Electrical	7,603,432	01.07.1996	34	HCL Hewlett Packard Ltd.	Senior Manager	Jul.81
9.	Aparao V V	53	Executive Vice President	B.Tech, M.Tech	12,395,537	10.03.2003	31	Ascend Technologies Ltd.	Director/Center Head	Aug.96
10.	Apurva Chamaria	36	Associate Vice President	MBA - Marketing	7,011,284	30.08.2005	14	Ranbaxy Laboratories Ltd.	Manager - Marketing	Jun.03
11.	Ashok Radhakrishnan	54	Senior Vice President	MBA - Strategy Management	19,425,882	10.10.2013	30	ISG Novasoft Technologies Ltd.	COO	Aug.07
12.	Atul Kumar Jain	52	Vice President - Finance	CA	6,284,593	10.05.2000	27	R & G Enterprise Ltd.	Manager - Finance	May.96
13.	B Kalyan Kumar	39	Sr. Vice President & Chief Technologist	B. Tech - Production	6,085,405	01.08.2013	18	HCL Comnet Ltd.	Vice President and Chief Technologist	Sep.00
14.	Balamurugan Ramasamy	51	Associate Vice President	B.Tech - Electronics	6,227,635	06.08.1986	29	Digital Instruments & Controls Pvt. Ltd.	R & D Engineer	Mar.86
15.	Bejoy Joseph George	48	Senior Vice President	MBA - Marketing	9,472,137	25.06.2014	23	Axis Aerospace Technologies Ltd.	Executive Director & CEO	Dec.11
16.	C R D Prasad	58	Sr. Corporate Vice President & Chairperson - Delivery & Operations	B.Tech - Production	10,342,248	01.08.2013	35	HCL Comnet Ltd.	Sr. Corporate Vice President - ISD	Jul.95
17.	Gade Hanumantha Rao	57	President - ERS	B.Tech - Electronics	13,124,765	01.07.1996	34	HCL Hewlett Packard Ltd.	Senior Manager - R&D	Nov.80
18.	Goutam Rungta	42	Senior Vice President - Business Finance	CA, CWA	7,997,272	01.03.2007	19	General Motors India Pvt. Ltd.	General Manager - Finance	Jul.03
19.	Gurpreet Singh Arora	40	Vice President	CA	7,672,319	01.05.2012	14	Wipro Limited	General Manager	Oct.07
20.	Harekrishna Rajagopalachar Sadarathall	46	Vice President	B.Tech - Mechanical	10,136,980	09.01.2012	25	Allegis Services India Pvt. Ltd.	Executive Vice President	Mar.09
21.	Kevin Kusich	44	Global Operations Director	B.Sc (Computer Science)	10,788,805	01.09.2011	20	Xerox Corporation	Software & Electronics Manager	Jun 06
22.	Krishnan Chatterjee	43	Senior Vice President	MBA - Marketing	6,329,733	01.12.2004	20	ITC Ltd.	Project Head	Jun.95
23.	Kunal Purohit	37	Associate Vice President - EPO	PGD - Marketing	7,331,133	19.05.2003	15	WIPRO - GE MEDICAL	Engineer - Customer Service	May.00
24.	Manoj Kumar Sarangi	44	Vice President & Chief Information Security Officer	M.Tech - Computer Engineering	7,079,272	10.05.2013	21	Aditya Birla Management Corporation Pvt. Ltd.	AVP (Group CISO)	Sep.11
25.	Manoj Kumbhat	48	Senior Vice President & CIO	MBA - Finance	24,455,811	28.03.2012	21	Pepsi Foods Pvt. Ltd	CIO	Mar.06
26.	Mathew George	47	Vice President	CA	11,838,406	02.05.2013	21	Cognizant Technology Solutions India Pvt. Ltd.	Director - Consulting	Oct.11
27.	Mukund Garg	45	Vice President	B.Tech - Electrical	6,592,492	18.02.2008	23	Satyam Computer Services Ltd.	Associate Vice President	Jun.04

A. EMPLOYED FOR FULL FINANCIAL YEAR - 2014-15 (Contd.)

Sl. No.	Name	Age (in years)	Designation	Educational Qualification	Remuneration (in ₹)	Date of Joining	Experience in Years	Previous Employment	Designation held in previous appointment	Previous employment held since
28.	Murali S Kakolu	54	Associate Vice President	PGD - Business Administration	7,235,521	17.01.2011	25	Cognizant Technology Solutions India Pvt. Ltd.	Director - HR	Aug.06
29.	Nalin Mittal	43	Vice President	CA, CWA	6,164,724	01.04.1998	22	PricewaterhouseCoopers	Article	Jul.93
30.	Nitin Pande	44	Senior Vice President - HR Advisory & Employee Services	MBA - Personnel, HR & IR	6,676,258	20.06.2005	22	Office Tiger Database Systems India Pvt.Ltd.	Associate Vice President - Human Resources	Apr.04
31.	Praburaman Sayanam	45	Vice President	B.Tech	8,464,757	29.08.1988	27	NA	NA	NA
32.	Pradeep Bindal	52	President - Business Services	MCA	10,829,377	01.11.2013	27	HCL Comnet Systems & Services Ltd.	Corp. Vice President - Asia & Middle East, Africa	Dec.95
33.	Prahlad Rai Bansal	58	Corporate Vice President	CA	10,190,590	30.08.2000	36	HCL America Inc.	Vice President	Nov.97
34.	Prateek Aggarwal	48	Executive Vice President	MBA - Finance	10,813,862	01.10.2012	24	Hexaware Technologies Limited	Chief Financial Officer	Jun.08
35.	Prithvi Harkirat Singh	48	Chief Human Resources Officer	MBA	39,725,687	19.04.2012	25	Accenture Services Pvt. Ltd.	Partner - Human Resources	Jan.04
36.	Raj Kumar Malik	55	Senior Vice President	B.Tech - Electrical	9,654,218	28.07.1997	33	Commonwealth Bank	Project Manager	May.96
37.	Raj Kumar Walia	48	Senior Vice President	CWA	6,243,952	05.06.1995	28	PFIZER Ltd.	Accounts Officer	Jul.93
38.	Rajesh Gupta	55	Vice President - Taxation	CA	9,097,268	17.03.2010	29	JSL Limited	Vice President - Taxation	May.09
39.	Rajiv Mahajan	55	Senior Vice President & Director - Infrastructure Projects	BE (Hons.) Civil, MSc (Hons.) - Economics	17,394,158	22.11.2010	30	Advance India Projects Ltd.	President Projects	Jan.10
40.	Rajiv Sodhi	56	Sr. Corporate Vice President & Chief Productivity & Workforce Competitiveness Officer	B.Tech, MBA - Marketing	13,841,985	24.07.1997	34	Tata Consultancy Services Ltd.	Manager Systems	Aug.81
41.	Rakshit Ghura	35	Director	BE - Mechanical	7,246,566	01.07.2004	11	NA	NA	NA
42.	Rampal Singh	33	General Manager & SR Solutions Architect	BSc - I.T. / Computer Science	6,403,819	25.04.2011	8	CSC India Pvt. Ltd.	Principal Consultant	Aug.07
43.	Rangarajan Vijayaraghavan	50	Senior Vice President	MA	9,301,534	22.05.2009	28	Satyam Computer Services Ltd.	Vice President	May.99
44.	Ravi Kathuria	52	Vice President	MBA - Marketing	7,224,077	16.10.2012	30	Briassoft (India) Ltd.	Vice President - Marketing	Mar.06
45.	Sanjay Kumar Mendiratta	50	Vice President	Master of Finance & Control	11,449,215	17.01.2008	25	Attest Testing Services Limited	Deputy Vice President	Oct.03
46.	Sanjeev Nikore	55	President - APMEA, India Business & Sr. Corp.Vice President - Strategic Engagements	MBA	17,587,358	03.09.2012	33	HCL Great Britain Ltd.	Sr. Corporate Vice President	Sep.10
47.	Sashi Kumar Pudur Radhakrishnan	44	Global Operations Director	M.Sc - Computer Science	6,014,114	14.07.1995	21	Processware Systems Pvt. Ltd.	Programmer	Jan.94
48.	Shiv Nadar	69	Chairman and Chief Strategy Officer	Electrical Engineer	121,500,000	13.09.1999	46	HCL Infosystems Limited	Whole-time Director & CEO	Aug.87
49.	Siddhartha S	40	Vice President	MBA - Marketing	6,986,727	07.05.2001	18	Grindwell Norton Ltd.	Product Engineer	Jan.97
50.	Srinivasan Govindan	44	Associate Vice President	MSW	6,851,510	11.03.2013	22	HCL Technologies Ltd.	Director - HR	Sep.06
51.	Subramanian Gopalakrishnan	48	Vice President - Finance	CA, CS, CWA	8,444,014	09.12.2010	25	Satyam Computer Services Ltd.	Vice President - Finance	Jun.05
52.	Swapan Johri	50	Executive Vice President	B.Tech - Chemical	8,394,330	01.06.1999	28	CMOS Communications Pvt. Ltd.	Chief Operating Officer	May.98
53.	Thiagarajan Suryanarayanan	39	Global Head - Talent Supply Chain	Master of Personnel Management	9,545,683	21.05.2014	18	Accenture Services Pvt. Ltd.	Analyst	Dec.02
54.	Tom Nedumattathil Thomas	51	Executive Vice President	MBA - Marketing	6,907,692	01.08.2005	27	HCL Technologies America Inc.	Business Development Manager	Apr.99
55.	Varanasi Guru Venkata Subbaraya Sharma	51	Vice President - Internal Audit	CWA	14,039,186	24.01.2011	24	ATG Tires Pvt. Ltd.	Vice President - Internal Audit	Jun.10
56.	Vigneshwar Rao Kodavalla	42	Associate Vice President	BE - Civil Engineering	6,805,342	02.12.2011	20	Wipro Technologies	Delivery Head	May.10
57.	Vijay Anand Guntur	47	Senior Vice President	M.Sc (Computer Science), MBA	6,678,838	14.07.1994	26	HCL Hewlett Packard Ltd.	Deputy Manager	Jun.89
58.	Vikrant Dhawan	47	Associate Vice President - Legal	LLB	6,507,781	28.04.2008	24	Glaxosmithkline Consumer Healthcare Ltd.	General Manager - Legal	Jan.07
59.	Vineet Vedprakash Sood	48	Senior Vice President - Treasury	CWA	10,158,679	25.11.2010	24	Tata Consultancy Services Ltd.	Treasurer	Mar.06
60.	Yegnaswamy Yeghanarayanan	42	Associate Vice President	BE - Electronics & Communication	6,617,234	17.08.2011	19	Infosys Limited	Delivery Manager	Sep.01

**Information for Director's Report under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
B. EMPLOYED FOR PART OF THE FINANCIAL YEAR - 2014-15**

Sl. No.	Name	Age (in years)	Designation	Educational Qualification	Remuneration (in ₹)	Date of Joining	Experience in Years	Previous Employment	Designation held in previous appointment	Previous employment held since
1.	Abhijit Ghosh	42	Associate Vice President	P.GDM - Finance & Marketing	882,074	01.06.2015	15	Infosys BPO Ltd.	Solution Design Head	Feb.06
2.	Amit Pramod Deshpande	44	Associate Vice President	BA	1,133,937	13.05.2015	23	Concentrix Daksh Services India Pvt. Ltd.	Group Manager-Operations	Mar.09
3.	Anantha Ramakrishnan	48	General Manager	CWA	810,314	30.11.2009	25	Satyam Computer Services Ltd.	Delivery Manager	Jul.00
4.	Anshul Mathur	38	Associate Vice President	MBA - Marketing	2,368,798	16.03.2015	17	Genpact India	Vice President	Sep.06
5.	Ashish Agarwal	41	Associate General Manager	B.Tech - Civil	510,947	10.12.2001	19	Joyent Systems India Pvt. Ltd.	Software Engineer	Dec.00
6.	Balaji B Thimmegowda	35	Senior Technical Architect	B.Tech - I.T.	679,937	03.04.2003	12	NA	NA	NA
7.	Bharat Soni	41	Associate Vice President	Master Of Architecture	4,710,943	01.12.2010	15	Tata Realty Infrastructure Ltd.	Asst. General Manager	Feb.07
8.	Biswajit Rath	47	Senior Vice President	MBA - Marketing	6,532,421	09.05.2011	17	IBM Australia	Regional Manager-Executive	Sep.07
9.	Charles Andrew Regis	51	Global Operations Director	MS - Computer Science	5,017,293	01.06.2007	26	J&B Software	Head - Services	Aug.05
10.	Chetan Vijaykumar Desai	43	Associate Vice President	BE (Industrial & Production)	733,724	08.06.2015	20	Tech Mahindra Ltd.	AVP	Oct.11
11.	Deepak Bhatia	48	Vice President	Diploma In Electrical Engg.	6,325,330	03.11.2014	25	Infosys BPO Ltd.	AVP	Apr.06
12.	Dharamender Kapoor	49	Vice President	MCA	3,542,285	21.04.2003	22	Xavient Technologies	Program Manager	Mar.02
13.	Feroz Ahmad Khan	41	Associate Vice President	PGDDBM - Marketing Management	5,360,845	12.06.2012	17	Godrej Consumer Products Ltd.	Associate Vice President	Mar.11
14.	Gayatri Kumar Hariharan	56	Associate Vice President	M.Sc - Physics	2,812,943	18.11.2010	31	J.p. Morgan Services India Pvt. Ltd.	Vice President	Jun.07
15.	Gopu Rajaram	44	General Manager	B.Tech - Electronics & Telecommunication	1,617,254	23.05.2011	20	Wipro Technologies	Lead Consultant	Jul.07
16.	Gregory Widener	54	Operations Director	M.Sc, MBA	6,949,813	25.07.2011	31	Xerox Corporation	Program Manager	Jun. 83
17.	Harsha Haridas Pai	41	Vice President	PGDDBA - Finance	6,048,124	03.11.2014	21	WNS Global Services Pvt.ltd.	Corporate SVP	Oct.12
18.	Jai Yeshwanth Raj Shamraj	47	Vice President	PGD - Business Administration	1,016,747	29.03.2010	25	Satyam Computer Services Ltd.	Assistant Vice President	Feb.06
19.	Jyoti Prakash Das	56	Associate Vice President	MBA	5,971,546	01.05.2006	28	Raffles Software Pvt. Ltd.	Head - Business Development	Jun.04
20.	Kamalakkannan Prabhakaran	36	Operations Director	B.Sc - Computer Sciences	507,630	25.05.2015	15	Cognizant Technologies Solutions India Pvt.ltd.	Associate Director - Projects	Aug.14
21.	Kandukuri Venkata Subrahmanyam	47	Senior Vice President	MS	7,553,466	08.04.2011	25	Mphasis Limited	Vice President	Mar.06
22.	Kapil Khaneja	37	Associate Vice President	B.Com (Honours)	3,085,057	24.02.2015	16	Convergys India Services Pvt. Ltd.	Director - Operations	Jun.01
23.	Makarand Vitthal Teje	49	Executive Vice President	Master of Management Studies - Marketing	5,119,277	16.02.2015	24	Cappgemini India Pvt. Ltd.	Sr. Vice President	Feb.11
24.	Manpreet Singh Khurana	40	Vice President & Head - Global It	MBA - Computer Science	1,935,648	11.09.2003	19	Futuresoft Solutions Pvt. Ltd.	Asst. Manager - Technology	Aug.00
25.	Mukesh Kumar Chauhan	47	Associate Director	MBA - International Business	900,621	01.12.2009	10	Steria India Limited	Principal Service Manager	Sep.06
26.	Nand Kishor Avantsa	55	Associate Vice President	BA - General	1,676,924	14.07.2008	30	Tech Mahindra Ltd.	Head Delivery	Jun.07
27.	Narayana Acharya Ramanuja	41	Group Project Manager	B.Tech - Electronics	633,136	26.11.2001	16	Autotech Systems Pvt. Ltd.	Associate Engineer	Jul.01
28.	Naveen Narayanan	43	Global Head - Talent Acquisition	MBA	8,220,504	14.03.2012	22	Accenture Services Pvt. Ltd.	Sr. Principal Consultant	Apr.06
29.	Padmaprasad Munirathinam	43	Vice President	B.Tech - Electrical	1,265,935	12.05.2010	16	SAP Labs India Pvt. Ltd.	Development Director	Jul.06
30.	Puliyankonanchem-Marankulangara Ramesh	46	Vice President	PGDDBM (Finance & Marketing)	5,736,795	03.11.2014	21	Infosys BPO Ltd.	Associate Vice President	Sep.07
31.	Rajagopal Swaminathan	56	Senior Vice President	MBA - Marketing	2,076,325	05.01.2004	32	Vyapin Software Systems Pvt. Ltd.	Director	Feb.99

B. EMPLOYED FOR PART OF THE FINANCIAL YEAR - 2014-15 (Contd.)

Sl. No.	Name	Age (in years)	Designation	Educational Qualification	Remuneration (in ₹)	Date of Joining	Experience in Years	Previous Employment	Designation held in previous appointment	Previous employment held since
32.	Ramana SV	51	Senior Vice President	B.Tech - Electronics & Communication	5,970,815	08.01.2015	27	Genpact India	Senior Vice President	Feb.00
33.	Ramaswamy Vaidyanath	51	Associate Vice President	Masters in Financial Management	7,857,085	04.06.2012	31	Capgemini India Pvt. Ltd.	Principal	Jul.08
34.	Ramesh Edukulla	49	Service Delivery Director	PGD - Business Administration	1,180,017	25.06.2009	24	Capgemini India Pvt. Ltd.	Senior Manager	Mar.06
35.	Ranikumar Ranganathan	51	Vice President	MBA	2,701,076	17.09.2008	29	Standard Chartered Bank	Associate Vice President	Sep.06
36.	Randeep Chikara	45	Senior Vice President	B.Tech - Electronics, MBA - Marketing	7,406,404	05.03.2008	22	EXL Business Process Solutions	Vice President - Client Relationship Management	Aug.06
37.	Rangarajan Raghavan	56	Senior Vice President	Diploma in Electrical Engineering	7,291,263	01.04.2003	37	HCL Infosystems Ltd.	Chief Support Officer	Sep.78
38.	Ravi Kumar	41	Associate General Manager - Consulting	B.Sc - Electronics	689,978	07.05.2001	19	American Data Solution	System Analyst	Sep.00
39.	Ravi Kuppusamy	49	Principal Architect	B.Sc - Chemical	3,004,726	18.09.2000	20	HCL Infosystems Limited	Sr. Project Manager/Sr. Architect	Sep.00
40.	Sanjeev Kumar Kaura	45	Senior Solution Director	Bachelor of Electronic Science - Electronics/Communication	6,157,426	01.08.2014	23	Alcatel Lucent	Region Head	Jun.11
41.	Satish Chandrasekaran	48	Executive Vice President	MBA	13,350,671	14.01.2010	27	Target Corporate India Pvt. Ltd	Vice President	Aug.07
42.	Satya Mohan Yanambala	46	Associate Vice President	BE, Diploma In Business Finance	1,600,321	01.09.2010	23	Mahindra Satyam Ltd.	Asst.vice President & Delivery Head	Nov.08
43.	Shammi Mejjia Pant	40	Vice President	BE - Electronics & Communication, MBA	2,586,290	15.04.2015	18	WNS Global Services Pvt. Ltd.	Sr. Director	Apr.13
44.	Shankar Venkataraman Kalyanasundaram	49	Practice Director	B.Com - Finance	756,734	16.10.2008	24	Merrill Lynch G	Vice President	Dec.07
45.	Sreenadha Reddy Vangavaragu	47	Associate Vice President	B.Tech - Electronics & Communication	1,907,588	08.08.1996	23	MRO-TEK (P) Ltd.	Assistant Manager - Marketing	Aug.92
46.	Srinivas Vadlamani	47	Operations Director	M.Sc - Electrical Engineering	1,264,563	19.04.2004	24	Prodapt Solutions Pvt. Ltd.	Delivery Manager	Mar.02
47.	Sriram Subramanian Vatheeswaranokovil	58	Chief Customer Officer & Sr. Corporate Vice President - St. Prjg	MBA	10,012,814	01.10.2001	37	Citicorp Overseas Software Ltd.	Centre Head	Nov.88
48.	Sivathisan V Muctumbai	45	Director - Practice Lead, Career & Talent	MSW - Personnel, HR & IR	1,154,381	12.06.2006	21	Bahwan Cybertek Pvt. Ltd.	Sr. Manager - HR	Sep.05
49.	Sudhakar Yeleswarapu	51	Group Project Manager	B.Tech - Electronics	513,877	19.12.2007	15	HCL Perot System	Associate	Dec.02
50.	Sundaresan Ramamoorthy	56	Vice President - Cro	B.Sc - Chemical	2,692,640	14.08.1997	34	DSQ Software Ltd.	Manager - Operations	Nov.96
51.	Usha Lakshmanan	52	Vice President	CWA	2,450,718	03.09.2010	25	Accenture Services Pvt. Ltd.	Principal	Nov.08
52.	Vaniarajan Chelappan	43	General Manager	M.Sc - C.S., Ph.D	1,622,567	20.12.1995	21	Nucleus Software	Systems Engineer	Sep.94
53.	Veena Rao	47	Global Practice Director	B.Com	1,181,480	16.11.2006	22	i-Flex Solutions Ltd.	Associate Director - Presales	Mar.03
54.	Vijay Malviya	51	Senior Vice President	MBA - Finance	2,538,278	26.09.2001	30	State Bank Of India	Associate Manager	May.85
55.	Vikrant Gupta	40	Vice President	PGDBA - Human Resource Management	627,350	01.06.2015	17	Accenture Services Pvt. Ltd.	Vice President - HR	Sep.06
56.	Vinayak Mishra	42	Vice President	PGDDM - Finance & Marketing	966,827	27.05.2015	17	Cognizant Technologies Solutions India Pvt. Ltd.	General Manager	Dec.09

Notes:

- None of the Employees listed above as a relative of any director of the Company.
- The nature of employment is contractual in all the above cases.
- None of the employees listed above owns 2% or more of the paid-up equity share capital of the Company.
- The above statement covers the remuneration paid by the Company and not by any subsidiary/ies.
- Particulars of employees posted and working in a country outside India not being directors or their relatives, drawing more than rupees sixty lacs per financial year or rupees five lacs per Month, as the case may be, have not been included in the above statement.

For and on behalf of the Board of Directors

 Date: August 3, 2015
 Place: Noida, U.P., India

Shiv Nadar
 Chairman & Chief Strategy Officer

CORPORATE GOVERNANCE REPORT 2014-15

Good governance facilitates efficient, effective and entrepreneurial management that can deliver stakeholder value over the longer term. It is about commitment to values and ethical business conduct. It is a set of laws, regulations, processes and customs affecting the way a company is directed, administrated, controlled or managed.

Good corporate governance underpins the success and integrity of the organizations, institutions and markets. It is one of the essential pillars for building an efficient and sustainable environment.

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good governance practices stem from the culture and mindset of the organization. The effectiveness of corporate governance in the Company depends on regular review, preferably regular independent review. The Company considers fair and transparent corporate governance as one of its most core management tenets. The Company has adopted a Code of Conduct for its directors, employees, consultants, vendors and customers and has also adopted a Code of Conduct to regulate, monitor and report trading by insiders and also a fair disclosure code. Some of the important best practices of Corporate Governance framework are timely and accurate disclosure of information regarding the financial position, performance, ownership and governance of the Company.

Philosophy on Code of Governance

The Corporate Governance philosophy of the Company is based on the following principles:

- Following the spirit of the law and not just the letter of the law. Corporate Governance standards should go beyond the law.
- Be transparent and maintain a high degree of disclosure levels. When in doubt, disclose it.
- Make a clear distinction between personal convenience and corporate resources.
- Communicate externally, in a truthful manner, about how the Company is run internally.
- Have a simple and transparent corporate structure driven solely by business needs.
- Comply with the laws in all the countries in which the Company operates.
- Management is the trustee of shareholders' capital and not the owner.

Corporate Governance is an integral part of the philosophy of the Company in its pursuit of excellence, growth and value creation. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal control and promotion of ethics at work place have been institutionalized. The Company recognizes that good

governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all its stakeholders.

Board of Directors ("Board")

The Board of Directors determines the purpose and values of the Company. The primary role of the Board is that of trusteeship so as to protect and enhance stakeholders' value through the strategic supervision of the Company and its subsidiaries.

The Company is headed by an effective Board that exercises leadership, integrity and judgment in directing so as to achieve continuing prosperity and to act in the best interest of the Company. The Board plays a critical role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This is reflected in the Company's governance practices, through which it strives to maintain an active, informed and independent Board. They ensure that the Company complies with all relevant laws, regulations, governance practices, accounting and auditing standards. They identify key risk areas and key performance indicators of the Company's business and constantly monitor these factors.

The Board is entrusted with the ultimate responsibility of the management, general affairs direction and performance of the Company and has been vested with the requisite powers, authorities and duties.

Board Size and Composition

The Board of Directors ("Board") is at the core of the Company's Corporate Governance practices and oversees how the management serves and protects the long term interests of all the stakeholders. The Company believes that an active, well-informed and Independent Board is necessary to ensure the highest standards of Corporate Governance.

The Board of the Company has an optimum combination of Executive, Non-executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. During the year, the majority of the Board comprised of Independent Directors. Independent Directors play a critical role in imparting balance to the Board processes by bringing independent judgments on issues of strategy, performance, resources, standards of the Company, conduct etc.

As on June 30, 2015, the Board consisted of 9 members, of which, one is the promoter director who is designated as the Chairman and Chief Strategy Officer of the Company. The other 8 directors are Non-Executive Directors, of which 6 are Independent Non-executive Directors. During the year under review, Mr. Srikant Madhav Datar (DIN 01893883), Director of the Company who was eligible to retire by rotation in the last Annual General Meeting of the Company held on December 4, 2014 had expressed his unwillingness to seek re-appointment as Director of the Company. Accordingly, Mr. Datar was not reappointed as Director and it was resolved not to fill the casual vacancy so caused.

Composition of the Board and the Directorship(s) / Committee Membership(s) / Chairmanship(s) held as on June 30, 2015 is as follows:

Name of Director	Position in the Company	Directorships in Indian public limited companies (including HCL Technologies Ltd.)	Directorships/ memberships in all other companies/ trust/ other entities (including overseas companies)	Committee memberships* (including HCL Technologies Ltd.)	Committee Chairmanships* (including HCL Technologies Ltd.)	No. of shares held (of ₹ 2 each)
Mr. Shiv Nadar (DIN 00015850)	Chairman & Chief Strategy Officer	1	20	1	-	368
Ms. Roshni Nadar Malhotra (DIN 02346621)	Non-Independent Non-Executive Director	1	20	1	-	348
Mr. Sudhinder Krishan Khanna (DIN 01529178)	Non-Independent Non-Executive Director	6	6	1	1	Nil
Ms. Robin Ann Abrams (DIN 00030840)	Independent Non-Executive Director	1	4	2	1	Nil
Mr. Amal Ganguli (DIN 00013808)	Independent Non-Executive Director	11	5	4	5	Nil
Mr. Keki Mistry (DIN 00008886)	Independent Non-Executive Director	10	4	5	3	Nil
Mr. Ramanathan Srinivasan (DIN 00575854)	Independent Non-Executive Director	3	15	2	-	Nil
Dr. Sosale Shankara Sastry (DIN 05331243)	Independent Non-Executive Director	1	1	-	-	Nil
Mr. Subramanian Madhavan (DIN 06451889)	Independent Non-Executive Director	3	2	2	2	1500

Note: Mr. Shiv Nadar and Ms. Roshni Nadar Malhotra are related as Father and Daughter, respectively. No other Director is related to any other Director on the Board.

** Chairmanships / memberships of only Audit Committee and Stakeholders' Relationship Committee of the Indian public limited companies have been considered.*

Brief Profile of the Board Members

Mr. Shiv Nadar

Mr. Shiv Nadar, aged 70 years, is an Electrical Engineer from Coimbatore in South India. Mr. Shiv Nadar established HCL as a startup in 1976. Acknowledged as a visionary by the IT industry and his peers, Mr. Shiv Nadar has often made daring forays based on his conviction of the future. The University of Madras and IIT Kharagpur awarded him an Honorary Doctorate Degree in Science for his outstanding contribution to IT in India. In recognition of his pioneering role in business and philanthropy in India and across the globe, Mr. Nadar has received several honours and accolades, notable being the Padma Bhushan from the President of India in 2008 and the BNP Paribas Grand Prize for Individual Philanthropy in 2013, the AIMA Managing India Corporate Citizen Award, the ICSI Lifetime Achievement Award for excellence in Corporate Governance and the Golden Peacock Award for Social Leadership in 2014. He has been named as the Outstanding Philanthropist of the Year in 2015 by Forbes. Determined to give back to the society that supported him, Mr. Nadar has been quietly supporting many significant social causes through the **Shiv Nadar Foundation**. The Foundation has established the not-for-profit SSN College of Engineering in Chennai, ranked among India's top ranked private

engineering colleges. A young and a unique research-led interdisciplinary Shiv Nadar University has been identified as India's first Ivy League institution. The Foundation is also running "**VidyaGyan**" schools in Uttar Pradesh that provide free, world class education to rural toppers from economically disadvantaged backgrounds. He also very strongly supports initiatives for the girl child and the empowerment of women. Mr. Nadar has also forayed into Healthcare. With a vision to provide innovative medical services, products and training to meet the growing demand for quality healthcare, **HCL AVITAS** has been set up to provide integrated care across India.

Ms. Roshni Nadar Malhotra

Ms. Roshni Nadar Malhotra, aged 33 years is the CEO and Executive Director of the HCL Corporation Pvt. Ltd. She brings a global outlook, strategic vision and passion for business, social enterprise and institution-building to her varied roles at HCL Corporation and the Shiv Nadar Foundation. Ms. Roshni is also a Trustee of the Shiv Nadar Foundation, which among its transformational educational initiatives has established the SSN Institutions in Chennai, today among the top private engineering and business schools in India, the interdisciplinary Shiv Nadar University in the National Capital Region of Delhi, VidyaGyan schools in Uttar Pradesh, the Shiv Nadar

Schools and the iconic Kiran Nadar Museum of Art and Shiksha, an innovative technology-led intervention in education envisioned to eradicate illiteracy from India.

She is the driving force behind the VidyaGyan schools in Uttar Pradesh, a radical initiative to induct and transform meritorious rural children from economically challenged backgrounds and create leaders of tomorrow. Under her leadership, VidyaGyan has started showing excellence in various fields, creating spirals of inspiration, and delivering on the promise of creating catalytic leaders from rural India. As a representative of the Shiv Nadar Foundation, she was involved in a joint initiative with the Rajiv Gandhi Foundation to promote the education of the Dalit and Muslim girl child in some of the most backward districts in the State of Uttar Pradesh in India. Ms. Roshni has been inducted into the Forum of Young Global Leaders, for her inspiring work in philanthropy and education in India at a very young age. She has been conferred the prestigious 'NDTV - Indian of the year- India's Future' award under the 'Philanthropic' category in 2014. Also, recently Ms. Roshni was felicitated at New York with The World's Most Innovative People Award for Philanthropic Innovation, given by The World Summit on Innovation & Entrepreneurship (WSIE). Ms. Roshni is a MBA from the Kellogg Graduate School of Management with a focus on Social Enterprise and Management & Strategy. At Kellogg, she received the Dean's Distinguished Service Award.

Mr. Sudhinder Krishan Khanna

Mr. Sudhinder Krishan Khanna, aged 62 years, has a Bachelor of Arts (Honors) degree in Economics from St. Stephen's College (New Delhi) and is a Chartered Accountant. He is the Chairman and Managing Director of IEP Mumbai, a leading control oriented PE Fund. He was one of the founding members of Accenture worldwide and became the Country Managing Partner of Accenture in India & the Middle East and a lead member of the Accenture global management team. He was responsible for establishing all major Accenture businesses in India, including ITO, BPO and KPO. Mr. Khanna serves on the board of United Spirits, Peninsula Holdings, Canara HSBC Insurance etc.

Ms. Robin Ann Abrams

Ms. Robin Ann Abrams, aged 64 years, holds both a Bachelor of Arts and a Juris Doctor degree from the University of Nebraska. She was the interim CEO at ZiLOG. She had been the President of Palm Computing and Senior Vice President at 3Com Corporation. She was formerly the President and CEO at VeriFone and also held a variety of senior management positions with Apple Computers. As a Vice President and General Manager of the Americas, she oversaw sales and channel management for U.S., Canada and Latin America. Ms. Abrams spent eight years with Unisys in several senior-level positions and also served several U.S. public company Boards and several academic advisory committees.

Mr. Amal Ganguli

Mr. Amal Ganguli, aged 75 years is a fellow member of the Institute of Chartered Accountants of India and the Institute of Chartered Accountants in England and Wales and a member of the New Delhi chapter of the Institute of Internal Auditors, Florida, U.S.A. Mr. Ganguli spent his entire professional career in PricewaterhouseCoopers where he was the Chairman and Senior Partner from 1996 till his retirement in 2003. Besides his qualification in the area of accounting and auditing, he is alumnus of IMI, Geneva. During his career spanning over 43 years, his range of work included international tax advice and planning, cross border investments, corporate mergers and re-organization, financial evaluation of projects, management, operational and statutory audit and consulting projects funded by international funding agencies.

Mr. Keki Mistry

Mr. Keki Mistry, aged 60 years is the Vice Chairman & Chief Executive Officer of HDFC Ltd. He is a Chartered Accountant from the Institute of Chartered Accountants of India. Besides being on the board of several HDFC Group companies including HDFC Bank, Mr. Mistry is also on the board of other companies including Sun Pharmaceutical Industries Ltd. and Torrent Power Ltd. Some of Mr. Mistry's recent recognitions include, being awarded 'Best Independent Director Award 2014' by Asian Centre for Corporate Governance & Sustainability, the Best CEO Financial Services (Large Companies) 2014 by Business Today magazine, the CFO India Hall of Fame by the CFO India magazine in 2012, being honoured with the 'CA Business Achiever of the Year' award in the Financial Sector by the Institute of Chartered Accountants of India (ICAI) in 2011, declared as the Best CFO in the Financial Services category by the ICAI for 2008, CNBC TV18's Award for the 'Best Performing CFO in the Financial Services Sector' for three consecutive years - 2006, 2007 & 2008 and CFO of the Year for 2008, selection as the 'Best Investor Relations Officer' in the Corporate Governance poll by Asiamoney (2008).

Mr. Ramanathan Srinivasan

Mr. Ramanathan Srinivasan, aged 69 years, has an Electrical Engineering Degree from Madras University and MBA Degree from the IIM, Ahmedabad. He is the Founder, now Vice Chairman of Redington (India) Limited, a 5 billion dollar Technology Products Supply Chain Solution Company operating in India, Middle East, Africa & Turkey. Prior to starting Redington in Singapore, he spent three years in Indonesia with a leading Textile Company. His experience also includes a number of years with Readers Digest and the Coca-Cola Corporation in India.

Dr. Sosale Shankara Sastry

Dr. Sosale Shankara Sastry, aged 59 years, is currently the Dean of Engineering at University of California, Berkeley. Dr. Sastry is B. Tech from Indian Institute of Technology, Bombay; M.S. EECS

(1979), University of California, Berkeley; M.A. Mathematics (1980), University of California, Berkeley and Ph.D. EECS, University of California, Berkeley. His areas of personal research are embedded control, cybersecurity, autonomous software for unmanned systems (especially aerial vehicles), computer vision, nonlinear and adaptive control, control of hybrid and embedded systems, and network embedded systems and software. He has been concerned with cybersecurity and critical infrastructure protection. He has co-authored over 450 technical papers and 9 books. During his career, the positions held by him include Member, Scientific Advisory Board for Singapore National Research Foundation and Member of Science and Technology Advisory Board for the Thai Prime Minister.

Mr. Subramanian Madhavan

Mr. Subramanian Madhavan, aged 58 years, is a Fellow member of the Institute of Chartered Accountants of India and also holds a Post Graduate Diploma in Business Management from the Indian Institute of Management, Ahmedabad. He was a senior partner and Executive Director in Pricewaterhouse Coopers from where he took early retirement. He was responsible for all facets of leadership development for all senior positions in the firm, as part of its India leadership team. He was also responsible for oversight and delivery of sectorally focused firm wide services, from Assurance to Advisory and Tax, being a primary relationship partner for several global clients. He was also a long standing leader of the indirect tax practice in PricewaterhouseCoopers and has been nationally and globally recognized as a leading subject matter expert in that area. Mr Madhavan started his career in Hindustan Unilever Ltd, India's largest FMCG multinational, where he spent several years in the 1980s. He is currently the Co-Chairman of the GST Task Force in FICCI, has been the past President, Northern Region, Indo American Chamber of Commerce and the past Co-Chairman of the Taxation Committee, ASSOCHAM.

Memberships on other Boards

Executive Directors are also allowed to serve on the Board/Committee of Corporate(s) or Government bodies whose interest are germane to the future of software business, or on the Board of key economic institutions of the nation or whose primary objective is benefiting society.

Independent Directors are expected not to serve on the Board/Committees of competing companies. Other than this, there is no limitation on the Directorships /Committee memberships except those imposed by law and good corporate governance.

Directors' Responsibilities

(a) In addition to the duties and responsibilities entrusted on the Directors of the Company as per the provisions of the Companies Act, 2013, it is the elementary responsibility of the Board members to oversee the management of the Company and in doing so, serve the best interests of the Company and its stockholders. This responsibility inter-alia shall include:

- Reviewing and approving fundamental operating, financial and other corporate plans, strategies and objectives.
- Evaluating whether the corporate resources are being used only for appropriate business purposes.
- Establishing a corporate environment that promotes timely and effective disclosure (including robust and appropriate controls, procedures and incentives), fiscal responsibility, high ethical standards and compliance with all applicable laws and regulations.
- Evaluating the performance of the Company and its senior executives and taking appropriate action, including removal, where warranted.
- Evaluating the overall effectiveness of the Board and its Committees.
- To attend the Board, Committee and shareholders meetings.

(b) **Exercise business judgment:** In discharging their fiduciary duties of care and loyalty, the directors are expected to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its stakeholders.

(c) **Understand the Company and its business:** The directors have an obligation to remain informed about the Company and its business, including the principal operational and financial objectives, strategies and plans of the Company, relative standing of the business segments within the Company and vis-a-vis the competitors of the Company, factors that determine the Company's success, results of operations and financial condition of the Company and the significant subsidiaries and business segments.

(d) **To establish effective systems:** The directors are responsible for determining that effective systems are in place for periodic and timely reporting to the Board on important matters concerning the Company including the following:

- Current business and financial performance, degree of achievement of approved objectives and the need to address forward-planning issues.
- Compliance programs to assure the company's compliance with laws and corporate policies.
- Material litigation and governmental and regulatory matters.

Board meetings functioning and procedure

Board Meeting - Calendar: The probable dates of the board meetings for the forthcoming year are decided in advance and published as part of the Annual Report.

Board Meeting - Frequency: The Board meets at least once a quarter to review the quarterly results and other items of the agenda.

Whenever necessary, additional meetings are held. In case of business exigencies or urgency of matters, resolutions are passed by circulation. The Company effectively uses teleconferencing facilities to enable the participation of Directors who could not attend the meetings due to some exigencies.

Board Meeting - Location: The location of the Board meetings are informed well in advance to all the Directors. Each director is expected to attend the Board meetings.

Board Meeting - Matters: All divisions/ departments of the Company are advised to schedule their work plans in advance, particularly with regard to matters requiring discussions/ approval/ decision of the Board/ Committee meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the Agenda for the Board/Committee meetings.

Board material/ Agenda distributed in advance: The agenda for each board meeting is circulated in advance to the Board members. All material information is incorporated in the agenda facilitating meaningful and focused discussions in the meeting. Where it is not practicable to attach any document in the agenda, the same is tabled before the meeting. Every board member is free to suggest items for inclusion in the agenda.

Presentations by management: The Board is given presentations covering finance, sales, marketing, major business segments and operations of the Company, global business environment including business opportunities, business strategy and the risk management practices before taking on record the financial results of the Company.

Number of Board Meetings and the dates on which it held

Four Board meetings were held during the year ended June 30, 2015. These were held on July 29-31, 2014, October 16-17, 2014, January 28 & 30, 2015 and April 20-21, 2015. The following table gives the attendance record of the Board meetings and the last Annual General Meeting:

Name of Director	No. of Board meetings held	No. of Board meetings attended	Whether attended last AGM
Mr. Shiv Nadar	4	4	Yes
Ms. Roshni Nadar Malhotra	4	4 [^]	Yes
Ms. Robin Ann Abrams	4	4	No
Mr. Ramanathan Srinivasan	4	4	No
Mr. Amal Ganguli	4	3	Yes
Mr. Sudhindar Krishna Khanna	4	3	Yes
Dr. Sosale Shankara Sastry	4	3 [^]	No
Mr. Subramanian Madhavan	4	4	Yes
Mr. Keki Mistry	4	2	No
Mr. Srikant Madhav Datar	2 [*]	2 [^]	No

**Mr. Srikant Madhav Datar ceased to be the Director of the Company w.e.f. December 4, 2014.*

[^] attended one meeting through conference call.

Declaration by Independent Directors

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Company has received necessary declarations from each Independent Director that he meets the criteria of independence in terms of the above mentioned provisions.

Independent Directors' Meetings

In terms of the provisions of the Companies Act, 2013 and the Listing Agreement, the Independent Directors of the Company shall meet at least once in a year, without the presence of Executive Directors and members of management. During the year, the Independent Directors met on April 19, 2015 and inter-alia discussed:

- the performance of Non-Independent Directors and the Board as a whole;
- the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarisation programme for Independent Directors

The Directors are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Further, periodic presentations are made at the Board and its Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Quarterly updates on relevant statutory changes are provided to the Directors in the Board meetings.

Upon appointment, Directors were issued a Letter of Appointment setting out in detail the terms of employment including their roles, function, responsibilities and their fiduciary duties as a director of the Company.

The details of such familiarization programme for Independent Directors are posted on the website of the Company <http://www.hcltech.com/about-us/corporate-governance/governance-policies>.

Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and Individual Directors pursuant to the provisions of the Act and Clause 49 of the Listing Agreement.

The Nomination and Remuneration Committee (NRC) of the Company approved a checklist for evaluation of the performance of the Board, the Committees of the Board and the individual Directors, including the Chairman of the Board. The Board adopted the checklist for performance evaluation as approved by NRC.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the NRC reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and the individual directors was discussed.

Board Diversity

The Company recognizes its obligation to maintain a Board with a diversity of directors. The Company considers that the concept of diversity incorporates a number of different aspects, such as professional experiences, business perspectives, skills, knowledge, gender, age, cultural and educational background, ethnicity and length of service.

The Company believes that Board diversity enhances decision-making capability and a diverse Board is more effective in dealing with organizational changes and less likely to suffer from group thinking. The Board has adopted the Policy on Board Diversity which sets out the approach to diversity of the Board of Directors.

Board Committees

The Board Committees play a crucial role in the governance structure of the Company and are being set out to deal with specific areas / activities which concern the Company and need a closer review. They are set up under the formal approval of the Board to carry out their clearly defined roles. The Board supervises the execution of its responsibilities by the committees and is responsible for their action.

As on June 30, 2015, the Company had seven Board Committees viz. Audit Committee, Nomination and Remuneration Committee, Finance Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Employees' Stock Options Allotment Committee and Risk Management Committee.

Keeping in view the requirements of the Companies Act as well as Clause 49 of the Listing Agreement, the Board decides the terms of reference of the various committees which set forth the purposes, goals and responsibilities of the committees. All observations, recommendations and decisions of the committees are placed before the Board for information or for approval.

Frequency and length of meeting of the Committees of the Board and Agenda

The Chairman of each Committee of the Board, in consultation with the Chairman of the Board and appropriate members of the management determine the frequency and length of the meetings of the Committees and develop the Committees agenda. The agenda of the Committee meetings is shared with all the members of the Committee.

Chairmanship/ Membership of Directors in Committees of the Board of Directors of the Company:

S. No.	Director	Audit Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee	Finance Committee	Employees' Stock Option Allotment Committee	Risk Management Committee
Executive Directors								
1.	Mr. Shiv Nadar	N.A.	Member	Member	Chairman	Member	Member	N.A.
Non-Independent Non-Executive Directors								
2.	Ms. Roshni Nadar Malhotra	N.A.	Member	Member	Member	N.A.	N.A.	N.A.
3.	Mr. Sudhindar Krishna Khanna	N.A.	N.A.	N.A.	N.A.	Member	N.A.	N.A.
Independent Non-Executive Directors								
4.	Ms. Robin Ann Abrams	Member	Member	N.A.	N.A.	N.A.	N.A.	Member
5.	Mr. Ramanathan Srinivasan	N.A.	Chairman	N.A.	N.A.	Member	N.A.	N.A.
6.	Mr. Amal Ganguli	Chairman	N.A.	N.A.	N.A.	Chairman	N.A.	Chairman
7.	Dr. Sosale Shankara Sastry	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
8.	Mr. Subramanian Madhavan	Member	N.A.	Chairman	Member	Member**	Member	Member
9.	Mr. Keki Mistry	Member	N.A.	N.A.	N.A.	N.A.	N.A.	Member
10.	Mr. Srikant Madhav Datar	N.A.	Member*	N.A.	N.A.	N.A.	N.A.	N.A.

* Mr. Srikant Madhav Datar ceased to be the member of the Committee w.e.f. December 4, 2014.

** Mr. Subramanian Madhavan appointed as a member of the Committee w.e.f. August 11, 2014.

1. Audit Committee

As on June 30, 2015, the Audit Committee comprises of four Independent Directors namely:

- a) Mr. Amal Ganguli (Chairman)
- b) Ms. Robin Ann Abrams
- c) Mr. Subramanian Madhavan
- d) Mr. Keki Mistry

The Company Secretary acts as a Secretary to the Committee.

Terms of Reference

The terms of reference of Audit Committee are as under:

a) Statutory Auditors

Recommend to the Board the appointment, re-appointment and if required, the replacement or removal of the statutory auditors, including filing of a casual vacancy, fixation of audit fee/ remuneration, terms of appointment and also provide prior approval of the appointment of and the fees for any other services rendered by the statutory auditors. Provided that the statutory auditors shall not render services prohibited to them by Section 144 of the Companies Act, 2013 or by professional regulations.

The Audit Committee shall take into consideration the qualifications and experience of the firm proposed to be considered for appointment as auditors as specified under Section 141 of the Companies Act, 2013 and whether these are commensurate with the size, nature of business and requirements of the Company and also consider any completed and pending proceedings against the proposed firm of auditors

before the Institute of Chartered Accountants of India or any competent authority or any Court.

The Audit Committee shall recommend to the Board, the name of the audit firm who may replace the incumbent auditor on the expiry of their term.

b) Review and monitor independence and performance of statutory auditors and Effectiveness of Audit Process

In connection with recommending the firm to be retained as the Company's statutory auditors, review and monitor the information provided by the management relating to the independence of such firm and performance and effectiveness of audit process, including, among other things, information relating to the non-audit services provided and expected to be provided by the statutory auditors.

The Audit Committee is also responsible for:

- i) Actively engaging in dialogue with the statutory auditors with respect to any disclosed relationship or services that may impact the objectivity and independence of the statutory auditors, and
- ii) Recommending that the Board takes appropriate action in response to the statutory auditors' report to satisfy itself of their independence.

c) Review audit plan

Review with the statutory auditors their plans for, and the scope of, their annual audit and other examinations.

d) Conduct of audit

Discuss with the statutory auditors the matters required to be discussed for the conduct of the audit.

e) Review and examination of Audit Results

Review and examine with the management and the statutory auditors the proposed report on the annual audit, areas of concern, the accompanying management letter, if any, the reports of their reviews of the Company's interim financial statements, and the reports of the results of such other examinations outside of the course of the statutory auditors' normal audit procedures that they may from time to time undertake.

f) Review and examination of Financial Statements

Review and examination of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are accurate, sufficient and credible and evaluation of internal financial controls and risk management systems, to obtain reasonable assurance based on evidence regarding processes followed and their appropriate testing that such systems are adequate and comprehensive and are working effectively. The Audit Committee shall review with appropriate officers of the Company and the statutory auditors, the annual financial statements of the Company prior to submission to the Board or public release thereof, focusing primarily on:

1. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 217(2AA) of the Companies Act, 1956 and Section 134(5) of the Companies Act, 2013.
2. Any changes in accounting policies and practices and reasons for the same.
3. Major accounting entries based on exercise of judgment by management.
4. Qualifications in draft audit report.
5. Significant adjustments made in the financial statements arising out of audit.
6. The going concern assumption.
7. Compliance with accounting standards.
8. Compliance with stock exchange and legal requirements concerning financial statements.
9. Any related party transactions i.e. transactions of the Company with its subsidiaries, promoters or the management, or their relatives, etc. that may have conflict with the interest of the Company at large.
10. Contingent liabilities.
11. Status of litigations by or against the Company.
12. Claims against the Company and their effect on the accounts.

The definition of the term "Financial Statement" shall be the same as under section 2(40) of the Companies Act, 2013.

g) Review Quarterly Results

Reviewing with the management, the quarterly/interim financial statements before submission to the Board for approval.

h) Risk Management Functions

The Audit Committee shall perform the following Risk Management Functions:

1. Assist the Board in overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and external environmental risks.
2. Review and approve the Risk management policy and associated framework, processes and practices.
3. Assist the Board in taking appropriate measures to achieve a prudent balance between risk and reward in both ongoing and new business activities.
4. Evaluating significant risk exposures including business continuity planning and disaster recovery planning.
5. Assessing management's actions in mitigating the risk exposures in a timely manner.
6. Promote Enterprise-wide Risk Management and obtain comfort based on adequate and appropriate evidence that the Management of the Company ensures the implementation and effective functioning of the entire risk management process and embedding of a comprehensive risk management culture in the Company at every stage of its operations.
7. Assist the Board in maintenance and development of a supportive culture, in relation to the management of risk, appropriately embedded through procedures, training and leadership actions so that all employees are alert to the wider impact on the whole organization of their actions and decisions.
8. Maintaining an aggregated view on the risk profile of the Company/ Industry in addition to the profile of individual risks.
9. Ensure the implementation of and compliance with the objectives set out in the Risk Management Policy.
10. Advise the Board on acceptable levels of risk appetite, tolerance and strategy appropriate to the size and nature of business and the complexity and geographic spread of the Company's operations.
11. Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.

The Committee shall have access to any internal information necessary to fulfill its oversight role. As and when required the Committee may assign tasks to the Internal Auditor, the Company's internal Risk management team and any external expert advisors considered necessary for any task and they will provide their findings to the Committee.

i) Review the performance of the Internal and External Auditors

Review with the management the performance of the statutory and internal auditors and the existence, adequacy and effective functioning of the internal control systems including internal control system over financial reporting, based on appropriate and effective evidence and such other matters as may be required.

j) Oversight Role

Oversight of the company's financial reporting process and the disclosure of its financial information to ensure the financial statements are correct, sufficient and credible.

k) Review internal audit function

Review the adequacy of the internal audit function, including the structure of the internal audit department, adequate staffing and the qualifications, experience, authority and autonomy of the person heading the department, the reporting structure, coverage and frequency of internal audit.

l) Review Internal Audit plans

Review with the senior internal audit executive and appropriate members of the staff of the internal auditing department the plans for and the scope of their ongoing audit activities and also review and approve the periodicity and programme for conducting the internal audit.

m) Review Internal Audit reports

Review with the senior internal auditing executive and appropriate members of the staff of the internal auditing department the periodic reports of the findings of the audit and reports and the necessary follow up and implementation of correction of errors and other necessary actions required. The Audit Committee shall also review the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of the internal control system of a material nature and ensure that proper corrective action is taken. Any such matters shall be reported to the Board if necessary and appropriate.

n) Review systems of internal financial controls

Review with the statutory auditors, and the senior internal auditor to the extent deemed appropriate by the Chairman of the Audit Committee, the adequacy of the Company's internal financial controls as defined in Section 134 of the Companies Act, 2013.

o) Review and ensure the existence, adequacy and effective functioning of a Vigil Mechanism/Whistleblower Policy appropriate to the size, complexity and geographic spread of the Company and its operations

The Vigil mechanism/Whistleblower Policy set up/ formulated by the Company shall provide for adequate safeguards against victimization of all persons referring any matter under the mechanism and shall also provide for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. Matters referred and the action taken shall be regularly reported to the Audit Committee once a quarter or more frequently. The mechanism and policy shall cover whistleblower and complaint references of all kinds, including alleged fraud by or against the Company, abuse of authority, misbehavior, ill treatment and unfair treatment of all kinds including all allegations and charges of harassment, sexual or otherwise, whether made by a named complainant or anonymously. Complaints which are prima facie frivolous in the view of the Ethics Committee of the Company or other committee or group of individuals responsible for investigating complaints and taking suitable action may be closed with appropriate reasons recorded. If any of the members of the Audit Committee have a conflict of interest in a given case, they should recuse themselves and the others on the Audit Committee would deal with the matter on hand.

p) Review other matters

Review such other matters in relation to the accounting, auditing and financial reporting practices and procedures of the Company as the Audit Committee may, in its own discretion, deem desirable in connection with the review functions described above.

q) Reporting to Board

Report its activities to the Board in such manner and at such times, as it deems appropriate.

r) Investigation

The Audit Committee has the authority to investigate any matter in relation to the items specified in Section 177 of the Companies Act 2013 or referred to it by the Board and for this purpose; it shall have full access to the information contained in the records of the Company. It may also investigate any activity within its term of reference. It has the authority to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (for non-payment of declared dividends) and creditors, if any and any other instance of a failure of legal compliance.

s) Seek information / advice

The Audit Committee may seek information from any employee and may obtain from external independent sources any legal or other professional advice it considers necessary in the performance of its duties. It may also secure attendance of independent professional persons with suitable qualifications and relevant experience in specific matters, if it considers this necessary.

t) Approval for appointment of Chief Financial Officer

The Audit Committee shall approve the appointment of the Chief Financial Officer of the Company (the whole-time Finance Director or any other person heading the finance function) after assessing the qualifications, experience and background etc. of the candidate.

u) Review and monitor the Statement of Uses and Application of Funds

Review and monitor, with the management, the statement of uses/ application of funds raised through an issue (public, rights, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of the public issue or rights issue, and make appropriate recommendations to the Board.

v) Review of other Information

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operation.
2. Statement of significant (material) related party transactions submitted by the management.
3. Management letters/letters of internal control weaknesses issued by the statutory auditors.

4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the chief internal auditor of the Company.
6. Inter- corporate loans and investments.
7. Valuation of undertakings and assets of the Company whenever necessary.

w) Basis of Related Party Transactions

1. The statement in summary form of transactions with related parties in the ordinary course of business shall be placed periodically before the Audit Committee.
2. Details of individual transactions with related parties, which are not in the normal course of business, shall be placed before the Audit Committee
3. Details of individual transactions with related parties or others, which are not on an arm’s length basis shall be placed before the Audit Committee together with the management’s justification for the selection of the related party and the price and other terms agreed.
4. The Audit Committee shall be responsible for the approval or any subsequent modification of ALL transactions of the Company with related parties.
5. On satisfying itself adequately regarding the reasons for the related party transactions undertaken and the terms and conditions agreed including price and the observation of the arm’s length principle, with suitable explanations for any departures, the Audit Committee shall periodically approve the related party transactions.

Explanation: (a) The term “Related Party Transactions” shall have the meaning as contained under section 188 of the Companies Act, 2013 and Clause 49 of the Listing Agreement which are currently in force or as may be amended from time to time.

(b) The term “Related Party” shall be as defined under section 2(76) of the Companies Act, 2013 and Clause 49 of the Listing Agreement which are currently in force or as may be amended from time to time.

x) To attend Annual General Meeting

The Chairman of the Audit Committee shall attend the annual general meetings of the Company to provide any clarification on matters relating to its scope sought by the members of the Company.

The statutory auditors of the Company shall be special invitees to the Audit Committee meetings, and they shall participate in discussions related to the audit and reviews of the financial statements of the Company and any other matter that in the opinion of the statutory auditors needs to be brought to the notice of the Audit Committee or any matter in which they are invited by the Audit Committee to participate.

y) Subsidiary Companies

The Audit Committee of the holding company shall also review the financial statements, in particular the inter-corporate loans and investments made by or in the subsidiary companies.

z) Reporting of Fraud by the Auditors

In case the auditor of the Company has sufficient reason to believe that an offence involving fraud is being or has been committed against the Company by officers or employees of the Company, or by the Company the auditor shall forward his report to the Audit Committee and the Audit Committee shall send its reply or observations to the auditor and such matters shall be reported to the Board by the Audit Committee.

aa) Cost Auditor

If the Company is required by the Companies Act, 2013 or other legal provision to appoint a cost auditor to have a cost audit conducted, the Audit Committee shall take into consideration the qualifications and experience of the person proposed for appointment as the cost auditor and recommend such appointment to the Board, together with the remuneration to be paid to the cost auditor.

ab) Review of the Terms of Reference of the Audit Committee

The Audit Committee shall review and reassess the adequacy of the terms of reference of the Audit Committee on a periodical basis, and where necessary obtain the assistance of the management, the Group’s external auditors and external legal counsel.

ac) Registered Valuer

The Audit Committee shall prescribe terms and conditions, and the appointment of a registered valuer having the requisite qualifications and experience.

Eight meetings of the Audit Committee were held during the year. These were held on July 16, 2014, July 29, 2014, September 18, 2014, October 16, 2014, January 13, 2015, January 28, 2015, March 26, 2015, April 20, 2015.

Attendance details of each member at the Audit Committee meetings held during the year ended June 30, 2015 are as follows:

Name of the Committee Member	Position	Number of Meetings held	Number of Meetings attended
Mr. Amal Ganguli	Chairman	8	7
Mr. Subramanian Madhavan	Member	8	7
Mr. Keki Mistry	Member	8	6 ^
Ms. Robin Ann Abrams	Member	8	8 ^ ^

^ includes 2 meetings attended through conference call.

^ ^ includes 4 meetings attended through conference call.

2. Corporate Social Responsibility Committee

As on June 30, 2015, the Corporate Social Responsibility (CSR) Committee comprises of three members including one Independent Director namely:

- a) Mr. Shiv Nadar (Chairman)
- b) Ms. Roshni Nadar Malhotra
- c) Mr. Subramanian Madhavan

Terms of Reference

The Terms of Reference of the CSR Committee are as under:

1. Formulate and recommend to the Board, a CSR Policy.
2. Recommend the amount of expenditure to be incurred on CSR activities.
3. Institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company.
4. Monitor CSR policy from time to time.

During the year under review, the CSR Committee met three times on July 28, 2014, January 28, 2015 and April 18, 2015.

3. Nomination and Remuneration Committee

As on June 30, 2015, the Nomination and Remuneration Committee (N&R) Committee comprised of four members, with two of its members as Independent Directors, namely:

- a) Mr. Ramanathan Srinivasan (Chairman)
- b) Ms. Robin Ann Abrams
- c) Mr. Shiv Nadar
- d) Ms. Roshni Nadar Malhotra

** During the year, Mr. Srikant Madhav Datar ceased to be the member of the committee w.e.f. December 4, 2014.*

Terms of Reference

The Terms of Reference of the Nomination and Remuneration Committee are as under:

- a) Succession planning for certain key positions in the Company viz. Directors, Chief Executive Officer (CEO), Chief Operating Officer (COO), Chief Financial Officer (CFO) and Senior Management. The Committee to identify, screen and review candidates, inside or outside the Company and provide its recommendations to the Board.
- b) Review and recommend to the Board the appointment and removal of directors/Key Managerial Personnel and persons in senior management. "Senior Management" shall mean corporate officers of the Company.
- c) Carry out evaluation of all Directors and Board performance.
- d) Recommend to the Board a policy relating to remuneration of Directors, Key Managerial Personnel and other employees.

The Nomination and Remuneration Committee while formulating the aforesaid policy shall ensure that-

1. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
2. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
3. Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

- e) Formulate the criteria for determining the qualifications, positive attributes and independence of directors.
- f) Devising a Policy on Board Diversity.
- g) Review and approve/recommend the remuneration for the Corporate Officers, /Whole-Time Directors of the Company.
- h) Approve inclusion of senior officers of the Company as Corporate Officers.
- i) Approve promotions within the Corporate Officers.
- j) Regularly review the Human Resource function of the Company.
- k) Approve grant of stock options to the employees and / or Directors (excluding Independent Directors and Promoter Directors) of the Company and subsidiary companies and perform such other functions and take such decisions as are required under the various Employees Stock Option Plans of the Company.
- l) Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.
- m) Make reports to the Board as appropriate.
- n) Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.

During the year, the Nomination and Remuneration Committee has formulated the policy on Board Diversity to ensure diversity of experience, knowledge, perspective, background, gender, age and culture.

During the year under review, the Nomination and Remuneration Committee met six times on July 24, 2014, July 29, 2014, October 16, 2014, December 18, 2014, January 28, 2015 and March 11, 2015.

Attendance details of each member at the Nomination and Remuneration Committee, during the year ended June 30, 2015 are as follows:

Name of the Committee Member	Position	Number of Meetings held	Number of Meetings attended
Mr. Ramanathan Srinivasan	Chairman	6	6 ^
Ms. Robin Ann Abrams	Member	6	6 ^
Mr. Shiv Nadar	Member	6	6
Ms. Roshni Nadar Malhotra	Member	6	6 ^
Mr. Srikant Madhav Datar	Member	3*	2

** Mr. Srikant Madhav Datar ceased to be the member of the committee w.e.f. December 4, 2014.*

^ includes 1 meeting attended through conference call.

Remuneration Policy and criteria of making payments to Executive and Non-Executive Directors

The remuneration policy of the Company is aimed at rewarding performance, based on a review of achievements on a regular basis and is in consonance with existing industry practices.

The criteria for making payments to Executive and Non-Executive Directors of the Company are as under:

Executive Directors:

The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee to the Board and after approval by the Board the same is put up for shareholders' approval. Executive Directors do not receive any sitting fees for attending the Board and Committee meetings.

During the year, the composition of the Board comprised of one Executive Director viz. Mr. Shiv Nadar. There are no separate provisions for the service of notice period and payment of severance fee by the Executive Directors at the time of their termination. The remuneration paid to Mr. Shiv Nadar for the year ended June 30, 2015 from the Company/subsidiaries is as under:

Remuneration to Mr. Shiv Nadar from the Company:

Particulars	₹ / crores
Salary	1.80
Allowances and Perquisites	10.13
Contribution to Provident Fund	0.22
Total	12.15

In addition, Mr. Shiv Nadar received ₹ 4.48 crores as salary and perquisites from the subsidiaries of the Company. The overall compensation is in accordance with the approval given by the Board and Shareholders of the Company.

Non-Executive Directors:

During the year, the Company paid sitting fees to its Non- Executive Directors for attending the meetings of the Board of Directors, Audit Committee and Finance Committee of the Company. The Company pays commission to its Non-Executive Directors as approved by the Board within the limits approved by the shareholders of the Company. The amount of such commission, taken together for all Non-Executive Directors, does not exceed 1% of the net profits of the Company in a financial year. The said commission is decided each year by the Board of Directors and distributed amongst the Non-Executive Directors based on their attendance and contribution at the Board and certain Committee meetings, as well as the time spent on operational matters other than at meetings.

The sitting fees and commission paid/ payable to the Non-Executive Directors for the year ended June 30, 2015 are as under:

Name of the Director	Sitting Fees for the year ended 30 June, 2015 ₹ / lacs	Commission for the year ended 30 June, 2015 ₹ / lacs
Mr. Amal Ganguli	2.20	76
Ms. Robin Ann Abrams	1.60	109
Mr. Ramanathan Srinivasan	1.00	107
Mr. Sudhindar Krishan Khanna	0.60	58
Mr. Srikant Madhav Datar*	0.20	36
Dr. Sosale Shankara Sastry	0.40	76
Mr. Subramanian Madhavan	2.40	70
Mr. Keki Mistry	1.20	62
Ms. Roshni Nadar Malhotra	-	58

Note:- The service tax on commission amounting to ₹ 91.71 lacs shall be paid by the Company.

** Mr. Srikant Madhav Datar ceased to be a Director of the Company w.e.f. December 4, 2014.*

There were no other pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company.

The remuneration policy is provided herewith pursuant to Section 178(4) of the Companies Act and Clause 49(IV)(B)(4) of the Listing Agreement.

Remuneration Policy for Directors, Key Managerial personnel and other employees
(I) Scope of the Policy

The remuneration policy ("Policy") applies to the Directors and Key Managerial personnel of the Company and other employees of the Company and its subsidiaries.

(II) Background

A transparent, fair and reasonable process for determining the appropriate remuneration at all career levels and roles as prevalent in the Company is required to ensure that the Shareholders remain informed and confident in the management of the Company.

(III) Objective

The objectives of this policy are:

- To create a transparent system of determining the appropriate level of remuneration throughout all career levels and roles of the Company.
- Motivate the directors, Key Managerial personnel and other employees, to perform to their maximum potential.
- To reward performance and meritocracy, based on review of achievements on a regular basis and is in consonance and benchmarked with the existing industry practices.
- Allow the Company to compete in each relevant employment market.
- Provide consistency in remuneration and benefits throughout the Company.
- Align the performance of the business with the performance of key individuals and teams within the Company.

(IV) Remuneration Policy for Directors
(a) Executive Directors

The remuneration of the Executive Directors will be recommended by the Nomination and Remuneration Committee (Committee) to the Board of Directors (Board) and after approval by the Board the same will be put up for the shareholder's approval.

(b) Non-Executive Directors

Non-Executive Directors will be paid commission as approved by the Board within the limits approved by the shareholders of the Company. The amount of such commission, taken together for all Non-Executive Directors, will not exceed 1% of the net profits of the Company in a financial year calculated as per the requirements of Section 198 of the Companies Act, 2013 (Act). The said commission shall be decided each year by the Board of Directors and distributed amongst the Non-Executive Directors based on their evaluation, contribution at the

Board and certain Committee meetings and the time spent on operational matters other than at meetings.

The Company shall reimburse the travelling, hotel and other out-of-pocket expenses incurred by the Directors for attending the meetings and for other work on behalf of the Company.

(V) Remuneration Policy for Key Managerial Personnel and other employees

The Company's remuneration policy of Key Managerial Personnel (other than Executive Directors covered above) and other employees is driven by their success and performance of the Company. Through its compensation programme, the Company endeavours to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, performance based variable pay, benefits and perquisites, long term cash incentive plans and equity based reward plans. Individual performance pay is determined by business performance and the performance of the individuals measured through periodic appraisal process. The Company will ensure that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate all employees to contribute to their potential and in turn run the Company successfully.

(VI) Disclosure

The policy shall be disclosed in the Board Report, Annual Report and such other places as may be required by the Act and rules framed thereunder, Equity Listing Agreement entered into with the stock exchanges (including any statutory modification(s) or re-enactment thereof) and such other laws for the time being in force.

(VII) Implementation

This Policy has been approved and adopted by the Board of the Company after the recommendation of the Committee of the Company. Any revisions to the Policy will be submitted to the Board for consideration and approval upon recommendation by the Committee.

4. Finance Committee

The Finance Committee comprised of the following members:

- a) Mr. Amal Ganguli (Chairman)
- b) Mr. Shiv Nadar
- c) Mr. Ramanathan Srinivasan
- d) Mr. Sudhinder Krishna Khanna
- e) Mr. Subramanian Madhavan*

* Mr. Subramanian Madhavan appointed as a member of the Committee w.e.f. August 11, 2014.

Terms of Reference

The Terms of Reference of the Finance Committee are as under:

- a) To review and approve the capital structure plans and specific equity and debt financings and recommend the same for approval to the Board.
- b) To review and approve the annual budgets and other financial estimates and provide its recommendations to the Board.
- c) To review the actual performance of the Company against the budgets.

- d) To review and approve the capital expenditure plans and specific capital projects and recommends the same to the Board for approval.
- e) To evaluate the performance of and returns on approved capital expenditure.
- f) To consider and approve the proposal which involves funding assets on operating and / or financial lease in the normal course of business.
- g) To review and approve the proposals for mergers, acquisitions and divestitures and provide its recommendations to the Board.
- h) To evaluate the performance of acquisitions.
- i) To consider and approve the proposals for fresh investments by way of infusion of capital and/or providing of loan and any further investments (by capital / loan) in wholly owned subsidiaries / Branches and providing any guarantees for funding the same.
- j) To evaluate the performance of subsidiaries / JVs / Branches.
- k) To plan and strategize for managing the foreign exchange exposure – The Committee to approve the hedging policy and monitor its performance.
- l) To approve the investment policy and review the performance thereof.
- m) To recommend dividend policy to the Board.
- n) To review and approve the insurance coverage and program for the Company.
- o) To consider and approve the guarantees / bonds provided by the Company either directly or through banks in connection with the Company's business.
- p) To approve opening / closing of bank accounts of the Company and change in signatories for operating the bank accounts.
- q) To perform any other activities or responsibilities assigned to the Committee by the Board of Directors from time to time.
- r) To delegate authorities from time to time to the Executives / Authorised persons to implement the decisions of the Committee within the powers authorised above.

During the year under review, the Committee met 2 times.

5. Stakeholders' Relationship Committee

As on June 30, 2015, the Stakeholders' Relationship Committee comprised of the following members:

- a) Mr. Subramanian Madhavan (Chairman)
- b) Mr. Shiv Nadar
- c) Ms. Roshni Nadar Malhotra

Terms of Reference

The Stakeholders' Relationship Committee has been formed to undertake the following activities:

- a) To review and take all necessary actions for redressal of grievances and complaints of Security Holders as may be required in the interests of the security holders.

- b) To approve requests of rematerialisation of shares/ securities, issuance of split and duplicate shares/ security certificates.

During the year under review, the Committee met 14 times.

Name, Designation and Address of Compliance Officer

Mr. Manish Anand
 Associate Vice President & Company Secretary
 HCL Technologies Limited
 A-10&11, Sector-3,
 Noida-201301 U.P., India
 Tel.: +91-120-2556436
 Fax: +91-120-2526907
 E-mail: manishanand@hcl.com

Investors' Grievances

The following table shows the Shareholders' complaints received during the year 2014-15:

Source of Complaint	Received	Resolved
Directly from the Investors	49	49
Through SEBI, Stock Exchanges, etc.	4	4
Total	53	53

6. Employees' Stock Option Allotment Committee

The Employees' Stock Option Allotment Committee comprised of the following members:

- a) Mr. Shiv Nadar
- b) Mr. Subramanian Madhavan
- c) Mr. Anil Kumar Chanana

This Committee has been formed to allot shares to the employees who have exercised their stock options under the Stock Option Plans of the Company.

During the year under review, the Committee met 21 times.

7. Risk Management Committee

As on June 30, 2015, the Risk Management Committee comprised of the following members:

- a) Mr. Amal Ganguli (Chairman)
- b) Ms. Robin Ann Abrams
- c) Mr. Subramanian Madhavan
- d) Mr. Keki Mistry

The terms of reference of the Risk Management Committee are as follows:

- 1) Assist the Board of Directors ("Board") in overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and external environmental risks.
- 2) Assist the Board in taking appropriate measures to achieve a prudent balance between risk and reward in both ongoing and new business activities.

- 3) Review and approve the Risk management policy and associated framework, processes and practices.
- 4) Evaluating significant risk exposures including business continuity planning and disaster recovery planning.
- 5) Assessing management's actions in mitigating the risk exposures in a timely manner.
- 6) Promote Enterprise-wide Risk Management and obtain comfort based on adequate and appropriate evidence that the Management of the Company ensures the implementation and effective functioning of the entire risk management process and embedding of a comprehensive risk management culture in the Company at every stage of its operations.
- 7) Assist the Board in maintenance and development of a supportive culture, in relation to the management of risk, appropriately embedded through procedures, training and leadership actions so that all employees are alert to the wider impact on the whole organization of their actions and decisions.
- 8) Maintaining an aggregated view on the risk profile of the Company/ Industry in addition to the profile of individual risks.
- 9) Ensure the implementation of and compliance with the objectives set out in the Risk Management Policy.
- 10) Advise the Board on acceptable levels of risk appetite, tolerance and strategy appropriate to the size and nature of business and the complexity and geographic spread of the Company's operations.
- 11) Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.
- 12) The Committee shall have access to any internal information necessary to fulfill its oversight role. As and when required, the Committee may assign tasks to the Internal Auditor, the Company's internal Risk management team and any external expert advisors considered necessary for any task and they will provide their findings to the Committee.

During the year under review, the Committee met once on March 26, 2015.

Succession Planning

Succession Planning aids the Company in identifying and developing internal people with the potential to fill certain key positions in the Company viz. Chief Executive Officer, Chief Operating Officer, Chief Financial Officer. It increases the availability of experienced and capable employees that are prepared to assume these roles as they become available. Succession Planning is a part of the charter of the Nomination and Remuneration Committee of the Company. The Committee shall identify, screen and review candidates, inside or outside the Company and provide its recommendations to the Board.

Independence of Statutory Auditors

The Board ensures that the statutory auditors of the Company are independent and have an arm's length relationship with the Company.

Materially significant related party transactions

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. There have been no materially significant related party transactions, monetary transactions or relationships between the Company and its directors, management, subsidiary or relatives, except for those disclosed in the financial statements for the year ended June 30, 2015. A Policy on Related Party Transactions formulated pursuant to the provisions of the Companies Act, 2013 and Listing Agreement entered into by the Company with the Stock Exchanges and approved by the Board is available on the website of the Company at <http://www.hcltech.com/about-us/corporate-governance/governance-policies>.

Code of Business Ethics and Conduct

The Board has prescribed a Code of Business Ethics and Conduct (COBEC) that provides for transparency, ethical conduct, a gender friendly workplace, legal compliance and protection of Company's property and information. COBEC is a set of guiding principles and covers all directors, employees, third party vendors, consultants and customers across the world. For Independent Directors the COBEC also includes duties as mentioned in Schedule IV of the Companies Act, 2013. COBEC is periodically reviewed taking into account the prevailing business and ethical practices. The Code is also posted on the website of the Company.

All Board members and senior management personnel have confirmed compliance with the Code for the year 2014-15. A declaration to this effect signed by the Chairman & Chief Strategy Officer and CEO of the Company is provided elsewhere in this Report.

Code for Prevention of Insider Trading

The Company has comprehensive guidelines on prevention of insider trading in line with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The 'Insider Trading Code' for prevention of insider trading inter-alia prohibits purchase/sale of shares of the Company by employees/directors while in possession of unpublished price sensitive information in relation to the Company. The Company within two working days of receipt of the information under the Initial and Continual disclosures from Directors shall disclose the same to all the Stock Exchanges, where the shares of the Company are listed.

Anti-Bribery Policy and Anti-Corruption Policy

To ensure the Company's policy for conducting its business activities with honesty, integrity and highest possible ethical standards and company's commitment towards prevention, deterrence and detection of fraud, bribery and other corrupt business practices, the Company has in place an Anti-Bribery and Anti-Corruption Policy that applies to the employees at all levels, directors, consultants, agents and other persons associated with the Company, its affiliates and subsidiaries. This Policy covers matters relating to hospitality, offset obligations, employment of relatives, guidance on gifts, political/ charitable contributions,

extortion/ blackmail responses etc. The same is available on the Company's website www.hcltech.com.

Prevention and Redressal of Sexual Harassment at Work Place Policy

In order to provide a safe and healthy work environment free of any and all kinds of harassment including sexual harassment and to prevent and redress such harassment complaints, the Company has in place Prevention and Redressal of Sexual Harassment at Work Place Policy. This policy applies to all employees of the Company, its group companies and joint ventures operating out of India like regular, temporary, ad hoc, daily wagers, contractual staff, vendors, clients, consultants, trainees, probationers, apprentices, contract labour and also all visitors to the Company. Any complaints about harassment shall be treated under this policy. This Policy is not confined to the actual working place of the employees in the sense of the physical space in which paid work may be performed as per the prescribed duty hours but also includes any place visited by the employee arising out of or during course of employment. The Company has constituted a committee for the redressal of all sexual harassment complaints. These matters are also being reported to the audit committee. During the financial year 2014-15, the Company has received five complaints on sexual harassment, all of which were disposed and appropriate actions taken and no complaints remain pending as of June 30, 2015.

Whistle Blower Policy

The principles of trust through transparency and accountability are at the core of the Company's existence. To ensure strict compliance with ethical and legal standards across the company, a Whistle Blower Policy is in place to provide appropriate avenues to the directors, employees, contractors, contractors' employees, clients, vendors, internal or external auditors, consultants, law enforcement /regulatory agencies or other third parties to bring to the attention of the management any issues which are perceived to be of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Whistle Blower Policy. All cases registered under the Whistle Blower Policy of the Company are reported to the Ombudsperson. All complaints received are categorized in two broad categories, one involving complaints against the CEO/CFO/CHRO/President/Corporate Officers which shall be investigated by the Company Chairman's Office and the one against other employees which shall be investigated by Ombudsperson. The Whistle Blower has direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Audit Committee reviews the Policy and process periodically to ensure the existence, adequacy and effective functioning of the Policy and that there are no gaps in the implementation of the Policy. An update on whistle blower cases is also provided to the Audit Committee and no employee was denied access to the Audit Committee.

Observance of the Secretarial Standards issued by the Institute of Company Secretaries of India

The Institute of Company Secretaries of India has issued secretarial standards on important aspects like board meetings, general meetings, payment of dividend, maintenance of registers and records, Board's report etc. Although these standards are optional in nature, the Company substantially adheres to the standards on a voluntary basis.

General Body Meetings

The location and time of the Annual General Meetings held and details of Special Resolution passed thereat during the preceding 3 years are as follows:

Financial Year	Date	Time	Venue	Details of Special Resolution passed
2011-12	October 22, 2012	11.00 A.M.	FICCI Auditorium, Federation House, 1, Tansen Marg, New Delhi-110001	–
2012-13	December 27, 2013	11.00 A.M.	FICCI Auditorium, Federation House, 1, Tansen Marg, New Delhi-110001	Approval u/s 309(4)(b) of the Companies Act, 1956 for payment of commission not exceeding one percent of net profits of the Company to all the Non-Executive Directors of the Company collectively in each financial year over a period of five years beginning from July 1, 2013.
2013-14	December 4, 2014	11.00 A.M.	FICCI Auditorium, Federation House, 1, Tansen Marg, New Delhi-110001	<ol style="list-style-type: none"> Approval u/s 197 of the Companies Act, 2013 for payment of commission not exceeding one percent per annum of net profits of the Company to all the Non-Executive Directors of the Company collectively in each financial year over a period of five years beginning from July 1, 2014 and extending upto and including the financial year of the Company ending on March 31, 2019. Approval u/s 196(3)(a) of the Companies Act, 2013 for Mr. Shiv Nadar to continue as the Managing Director of the Company, beyond the age of 70 years, till the end of his tenure as Managing Director ending on January 31, 2017.

Details of resolutions passed through postal ballot:

During the year, shareholders of the Company have passed the following resolutions through postal ballot:

- Special resolution for alteration of Objects Clause of the Memorandum of Association of the Company.
- Special resolution for alteration of Articles of Association of the Company.
- Special resolution for increase in the Authorized Share Capital of the Company and consequent amendment in the Memorandum of Association of the Company.
- Ordinary resolution for approval of issue of Bonus Shares.

Details of the person who conducted the postal ballot exercise:

The Board had appointed Mr. Nityanand Singh, Practicing Company Secretary as the Scrutinizer to conduct the Postal Ballot voting exercise in a fair and transparent manner.

The details of the voting pattern in respect of the Special resolutions passed are as under:

Resolution	Promoter / Public	No. of shares held	No. of votes polled	% of Votes polled on outstanding shares	No. of Votes-in favour	No. of Votes-against	% of Votes in favour on votes polled	% of Votes against on votes polled
		1	2	3= (2/1)*100	4	5	6=(4/2)*100	7=(5/2)*100
Alteration of the Object Clause of the Memorandum of Association of the Company	Promoter and Promoter Group	431,462,054	431,462,054	100.00%	431,461,844	-	73.41%	0.00%
	Public- Institutional holders	228,946,881	150,415,326	65.70%	149,133,664	1,281,662	25.37%	0.22%
	Public- Others	40,923,998	5,872,589	14.35%	5,872,074	515	1.00%	0.00%
	Total	701,332,933	587,749,969	83.80%	586,467,582	1,282,177	99.78%	0.22%
Alteration of Articles of Association of the Company	Promoter and Promoter Group	431,462,054	431,462,054	100.00%	431,461,844	-	73.79%	0.00%
	Public- Institutional holders	228,946,881	151,274,124	66.07%	36,051,761	115,222,363	6.17%	19.70%
	Public- Others	40,923,998	2,004,234	4.90%	2,003,689	545	0.34%	0.00%
	Total	701,332,933	584,740,412	83.38%	469,517,294	115,222,908	80.29%	19.70%
Alteration of Authorized Share Capital and consequent amendment of Memorandum of Association of the Company	Promoter and Promoter Group	431,460,454	431,460,454	100.00%	431,460,454	-	72.85%	0.00%
	Public- Institutional holders	229,121,200	159,637,281	69.67%	157,656,946	19,77,335	26.62%	0.33%
	Public- Others	41,837,755	1,156,728	2.76%	1,155,591	1,137	0.20%	0.00%
	Total	702,419,409	592,254,463	84.32%	590,275,991	19,78,472	99.67%	0.33%
Approval of issue of Bonus Shares	Promoter and Promoter Group	431,460,454	431,460,454	100.00%	431,460,454	-	72.85%	0.00%
	Public- Institutional holders	229,121,200	159,637,281	69.67%	159,637,281	-	26.95%	0.00%
	Public- Others	41,837,755	1,149,267	2.75%	1,149,250	17	0.19%	0.00%
	Total	702,419,409	592,247,002	84.32%	592,246,985	17	100%	0.00%

No resolution is immediately proposed to be passed through Postal Ballot.

Subsidiary companies and Policy on Material Subsidiary

The Company has formulated and adopted a Policy for determining Material Subsidiary in line with the requirements of the Listing Agreement. The Policy aims to set out the principles for determining a material subsidiary. The Policy on the Material Subsidiary is available on the website of the Company at <http://www.hcltech.com/about-us/corporate-governance/governance-policies>. However, during the year none of the subsidiaries was a material non-listed Indian subsidiary Company as per the criteria given in clause 49 of the Listing Agreement. The Audit Committee of the Company reviews the financial statements and investments made by the unlisted subsidiary companies. The Minutes of the Board Meetings as well as the statements of significant transactions and arrangements entered into by the unlisted subsidiary companies, if any, are placed before the Board of Directors of the Company from time to time.

CEO/CFO Certification

The Certificate as stipulated in clause 49(IX) of the Listing Agreement was placed before the Board along with the financial statements for the year ended June 30, 2015 and the Board reviewed the same. The said Certificate is provided elsewhere in the Annual Report.

Disclosures**a) Related party transactions**

During the year under review, the Company has not entered into any transaction of a material nature with its subsidiaries, promoters, directors, the management, senior management personnel, their relatives, etc., that may have any potential conflict with the interest of the Company. The Company has obtained requisite declarations from all directors and senior management personnel in this regard and the same were placed before the Board of Directors.

b) Compliances by the Company

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authorities relating to the above.

c) Other Disclosures

The Company has in place the Whistle Blower Policy and no personnel has been denied access to the audit committee. During the year, the Company did not raise any money through public issue, right issues or preferential issues and there was no unspent money raised through such issues.

Means of Communication

a) Quarterly Results: Quarterly Results of the Company are generally published inter alia, in Financial Express and Jansatta newspapers.

b) Website: Company's corporate website www.hcltech.com provides comprehensive information on company's portfolio of businesses. The website has an entire section dedicated to Company's profile, its core values, corporate governance, business lines and Industry sections. An exclusive section on 'Investors' enables them to access information at their convenience. The entire Reports as well as quarterly, half yearly, annual financial statements, releases and shareholding pattern are available in downloadable format as a measure of added convenience to the investors.

c) News Releases, Presentations, etc.: Official news releases, detailed presentations made to media, analysts, institutional investors, etc. are displayed on the Company's website www.hcltech.com. Official media releases are also sent to the Stock Exchanges.

d) Annual Report: Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Director's Report, Auditor's Report, Management Discussion and Analysis Report, Corporate Governance Report and other important information is circulated to members and others entitled thereto. The Annual Report of the Company is available on the Company's website in a user-friendly and downloadable form.

e) Intimation to the Stock Exchanges: The Company intimates the Stock Exchanges all price sensitive information or such other matters which in its opinion are material and of relevance to the Shareholders.

f) NSE Electronic Application Processing System: As per the mandate received from National Stock Exchange of India Limited ('NSE'), the Company has been uploading its financial information, shareholding pattern, Report on Corporate Governance and press releases on the dedicated website of NSE i.e. <https://www.connect2nse.com/LISTING/>.

g) Online Portal-BSE Corporate Compliance & Listing Centre: As per the mandate received from BSE Limited ('BSE'), the Company has been uploading its financial information, shareholding pattern, Report on Corporate Governance and press releases on the dedicated website of BSE i.e. <https://listing.bseindia.com>.

h) Designated Exclusive email id: The Company has the following designated email id investors@hcl.com exclusively for investors servicing.

Green Initiatives Drive by the Ministry of Corporate Affairs, Government of India

The Company, as a corporate entity, is committed to protect and conserve the natural environment in its operations and services. As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents to the shareholders at their e-mail addresses registered with the Depository participants/Registrar & Share Transfer Agent.

Electronic copies of the Annual Report 2014-15 and notice of the twenty third AGM will be sent to all the members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2015 and notice of twenty third AGM shall be sent in the permitted mode. Members requiring physical copies can send a request to the Company Secretary.

The Company sends the communications to the shareholders by electronic mode. The shareholders of the Company are requested to register their email addresses with their depository participants to ensure that the annual report and other documents reaches them on their preferred email address. Shareholders who hold shares in physical form are requested to register their email addresses with the registrar and share transfer agent, by sending a letter duly signed by the first/ sole holder quoting details of Folio number.

Investor Relations - Enhancing Investor Dialogue

As a listed entity and a responsible corporate citizen, the Company recognizes the imperative need to maintain continuous dialogue with the investor community. The objective of Investor Relations is to keep investors abreast of significant developments that determine Company's overall performance while at the same time addressing investor concerns. This translates into disseminating timely, accurate and relevant information that helps investors in making informed investment decisions.

To ensure effective communication, the Investor Relations Division provides comprehensive information in the form of Annual Reports, Quarterly Earnings Reports, Investor Releases on the Company Website (Investor Relations page weblink: <http://www.hcltech.com/investors/fast-facts>). Additionally Conference calls, Management Interviews, Face to Face Investor meetings and Annual General Meetings ensure a direct interaction of market participants with the Management Team.

A comprehensive "Fair Disclosure Code", for the fair disclosure of Unpublished Price Sensitive Information for all stakeholders, has also been formulated and implemented in line with the SEBI guidelines to ensure the compliance with the SEBI (Prohibition of Insider Trading) Regulations 2015.

The management is committed to build investor relations on the pillars of trust, consistency and transparency. Its proactive approach has enabled the investor community to better understand the nature of the Company's business, management strategies and operational performance over a period of time.

General Shareholder Information

a.	Annual General Meeting: Date Time Venue	:	December 22, 2015 11.00 a.m. FICCI Auditorium, Federation House, 1, Tansen Marg, New Delhi-110 001
b.	Financial Year	:	1 July – 30 June
c.	Date of Book Closure	:	December 14, 2015 to December 16, 2015 (both days inclusive)
d.	Dividend Payment Date (subject to approval of shareholders)	:	N.A.
e.	Listing of Equity Shares on stock exchanges in India at	:	National Stock Exchange of India Ltd. (NSE) Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra East, Mumbai-400 051, India. Tel.: +91-22-26598236, Fax: +91-22-26598237 BSE Ltd. (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001, India Tel.: +91-22-22721233, Fax: +91-22-22723121
f.	Stock Codes	:	NSE – HCLTECH BSE – 532281
g.	ISIN for Equity Shares	:	INE860A01027
h.	Listing of Non-Convertible Debentures on stock exchanges in India at	:	The Wholesale Debt Market Segment of NSE
i.	Debenture Trustee	:	IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17, R Kamani Marg, Ballard Estate, Mumbai-400 023
j.	ISIN for Debentures	:	INE860A07032
k.	Listing Fees	:	Paid to all Stock Exchanges for the year 2015-16
l.	Corporate Identity Number (CIN) of the Company	:	L74140DL1991PLC046369
m.	Registered Office	:	806, Siddharth, 96, Nehru Place, New Delhi-110 019, India Tel.: +91-11-26444812, Fax: +91-11-26436336 Homepage: www.hcltech.com

Investors Satisfaction Survey

It is the Company's constant endeavor to improve the standard of its investor services. The Company has stipulated internal timeframes for responding to investors' correspondence and adherence thereof is monitored by the Stakeholders' Relationship Committee (Formerly known as Shareholders Committee).

In pursuit of excellence in Corporate Governance and to constantly improve standards of service, communication and disclosures; during the year the Company conducted a small survey to assess the requirement and satisfaction of valuable investors on following parameters:

1. Timely receipt of Annual Reports, Dividend and other documents.
2. Response time and satisfaction level experienced in Transfer/ Transmission of shares, change of address, revalidation of dividend warrants etc.
3. Quality of information in Annual Report and Investor Section of Company's website.
4. Interaction with Company officials.
5. Interaction with Registrar and Transfer Agents.
6. Overall rating of our investor services.

The shareholders were asked to respond with any one of the following ratings:

- Excellent
- Good
- Needs Improvement

Approx. 93% of the shareholders have given the rating "Good" or "Excellent".

n. Stock Market Price Data

The details of monthly high and low price of the Equity Shares of the Company and its comparison to broad based indices BSE Sensex and NSE Nifty for fiscal year 2014-15 are as follows:

Month	Share price on BSE		BSE-Sensex	
	High (₹)	Low (₹)	High (₹)	Low (₹)
July 2014	1630.00	1440.00	26300.17	24892.00
August 2014	1666.00	1502.20	26674.38	25232.82
September 2014	1734.30	1595.65	27354.99	26220.49
October 2014	1775.40	1476.55	27894.32	25910.77
November 2014	1696.00	1556.10	28822.37	27739.56
December 2014	1689.90	1450.35	28809.64	26469.42
January 2015	1834.00	1494.80	29844.16	26776.12
February 2015	2057.00	1796.00	29560.32	28044.49
March 2015	2116.40	956.10	30024.74	27248.45
April 2015	979.70	834.10	29094.61	26897.54
May 2015	1047.50	869.10	28071.16	26423.99
June 2015	1000.00	882.60	27968.75	26307.07

Source: This information is compiled from the data available from the website of BSE.

Month	Share Price on NSE		NSE-Nifty	
	High (₹)	Low (₹)	High (₹)	Low (₹)
July 2014	1625.00	1440.00	7840.95	7422.15
August 2014	1665.75	1502.20	7968.25	7540.10
September 2014	1735.00	1594.90	8180.20	7841.80
October 2014	1776.25	1480.00	8330.75	7723.85
November 2014	1697.00	1552.00	8617.00	8290.25
December 2014	1689.80	1415.00	8626.95	7961.35
January 2015	1820.00	1492.70	8996.60	8065.45
February 2015	2055.00	1798.05	8941.10	8470.50
March 2015	2116.90	954.90	9119.20	8269.15
April 2015	978.50	835.10	8844.80	8144.75
May 2015	1044.95	865.80	8489.55	7997.15
June 2015	998.50	882.75	8467.15	7940.30

Source: This information is compiled from the data available from the website of NSE.

o. Registrar and Share Transfer Agent:

Alankit Assignments Limited
205-208, Anarkali Complex,
Jhandewalan Extension,
New Delhi – 110 055, India.
Tel.: +91-11-42541234, 23541234
Fax: +91-11-42541967
E-mail: rta@alankit.com

p) Share Transfer System

99.95% of the equity shares of the Company are in electronic form. Transfers of these shares are done through the depositories with no involvement of the Company. For the transfer of shares held in physical form, the authority has been delegated to the Company's officials who generally consider and approve the share transfer requests on a fortnightly basis.

The shares sent for physical transfer are generally registered and returned within a period of 15 days from the date of receipt of request, subject to documents being valid and complete in all respects. As per the requirement of clause 47(c) of the Listing Agreement with the Stock Exchanges, the Company has obtained half-yearly certificates from Practising Company Secretary for due compliance of share transfer formalities and filed the same with the Stock Exchanges.

As on June 30, 2015, no equity share was pending for transfer.

q) Reconciliation of Share Capital Audit Report

As required under Regulation 55A of SEBI (Depositories and Participants), Regulations, 1996, the reconciliation of share capital audit report on the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Ltd. ("CDSL") and the total issued and listed capital for each of the quarters in the financial year ended June 30, 2015 was carried out. The audit reports confirm that the total issued/ paid-up share capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

r) Shareholding as on June 30, 2015
i) Distribution of shareholding as on June 30, 2015

Number of Equity Shares held	No. of Shareholders	Shareholders (%)	No. of Shares	Shares (%)
1 – 100	90,293	71.56%	3,055,153	0.22%
101 – 200	14,449	11.45%	2,389,508	0.17%
201 – 500	11,114	8.81%	3,893,478	0.28%
501 – 1000	4,011	3.18%	3,043,161	0.22%
1001 – 5000	3,429	2.72%	7,974,914	0.57%
5001 – 10000	910	0.72%	6,626,603	0.47%
10001 and above	1,971	1.56%	1,378,995,601	98.08%
Total	126,177	100.00	1,405,978,418	100.00

ii) Categories of equity shareholders as on June 30, 2015

Category	Number of shares held	Voting Strength (%)
Promoters	851,720,828	60.58%
Mutual Funds/ UTI	48,799,184	3.47%
Financial Institutions/ Banks	777,941	0.06%
Insurance Companies	14,036,744	1.00%
Foreign Institutional Investors	406,713,190	28.93%
Foreign Banks	1,200	0.00%
Bodies Corporate	33,718,568	2.40%
Individuals	41,038,947	2.92%
NRI's / OCBs	5,906,539	0.42%
Foreign Nationals	74,767	0.01%
Trusts	1,337,122	0.10%
Foreign Corporate Body	-	0.00%
HUF	489,265	0.03%
Clearing Members	1,364,123	0.10%
Grand Total	1,405,978,418	100.00%

s) Dematerialization of Shares and liquidity

The shares of the Company are under compulsory dematerialization (“Demat”) category and consequently, shares of the Company can be traded only in electronic form.

The system for getting the shares dematerialized is as under:

- a. Share certificate(s) along with Demat Requisition Form (DRF) is to be submitted by the shareholder to the Depository Participant (DP) with whom he/she has opened a Depository Account.
- b. DP processes the DRF and generates a unique number viz. DRN.
- c. DP forwards the DRF and share certificates to the Company’s Registrar & Shares Transfer Agent.
- d. The Company’s Registrar & Shares Transfer Agent after processing the DRF confirm or reject the request to the Depositories.
- e. Upon confirmation, the Depository gives the credit to shareholder in his/her depository account maintained with DP.

As on June 30, 2015, about 99.95% of the equity shares issued by the Company are held in dematerialized form.

The Company’s equity shares are regularly traded on NSE and BSE, in dematerialized form.

Company’s ISIN in NSDL & CDSL for Equity Shares: INE860A01027.

Company’s ISIN in NSDL & CDSL for Debentures: INE860A07032.

Since the trading in the shares of the Company can be done only in electronic form, it is advisable that the shareholders who have the shares in physical form get their shares dematerialized.

t) Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ ADRs/ Warrants or other instruments, which are pending for conversion.

u) Transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of section 205A(5) of the Companies Act, 1956, the dividend amounts which have remain unpaid or unclaimed for a period of seven years from the date of declaration have been transferred by the Company to the Investor Education and Protection Fund (“IEPF”) established by the Central Government pursuant to Section 205C of the said Act. Shareholders who have not encashed their dividend warrants relating to the dividend specified in Table below are requested to immediately send their request for issue of duplicate warrants. Once unclaimed dividend is transferred to the IEPF, no claim shall lie in respect thereof either with the Company or IEPF.

Financial Year	Type of Dividend	Date of Declaration	Due Date for transfer to IEPF
2007-08	Final	October 22, 2008	November 24, 2015
2008-09	1 st Interim	October 15, 2008	November 17, 2015
	2 nd Interim	January 23, 2009	February 23, 2016
	3 rd Interim	April 21-22, 2009	May 22, 2016
	Final	December 08, 2009	January 07, 2017
2009-10	1 st Interim	October 27-28, 2009	November 27, 2016
	2 nd Interim	January 24-25, 2010	February 24, 2017
	3 rd Interim	April 20-21, 2010	May 21, 2017
	Final	October 28,2010	November 27, 2017
2010-11	1 st Interim	October 19-20, 2010	November 19, 2017
	2 nd Interim	January 18-19, 2011	February 18, 2018
	3 rd Interim	April 19-20, 2011	May 20, 2018
	Final	November 02, 2011	December 02, 2018
2011-12	1 st Interim	October 17-18, 2011	November 17, 2018
	2 nd Interim	January 16-17, 2012	February 18, 2019
	3 rd Interim	April 16-18, 2012	May 21, 2019
	Final Dividend	October 22, 2012	November 24, 2019
2012-13	1 st Interim	October 15&17, 2012	November 19, 2019
	2 nd Interim	January 15&17, 2013	February 17, 2020
	3 rd Interim	April 15&17, 2013	May 17, 2020
	Final	December 27, 2013	January 30, 2021
2013-14	1 st Interim	October 15-17, 2013	November 16, 2020
	2 nd Interim	January 14-16, 2014	February 15, 2021
	3 rd Interim	April 15-17, 2014	May 17, 2021
2014-15	1 st Interim	July 29-31, 2014	August 30, 2021
	2 nd Interim	October 16-17, 2014	November 16, 2021
	3 rd Interim	January 28-30, 2015	March 1, 2022
	4 th Interim	April 20-21, 2015	May 21, 2022

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on December 4, 2014 (date of last Annual General Meeting) on the Company’s website (www.hcltech.com) and on the website of the Ministry of Corporate Affairs.

v) Financial Calendar (tentative and subject to change)

Financial reporting for the first quarter ending September 30, 2015	October 16-19, 2015
Financial reporting for the second quarter ending December 31, 2015	January 18-19, 2016
Financial reporting for the third quarter and year ending March 31, 2016	April 27-28, 2016
Annual General Meeting for the year ending March 31, 2015	August-September, 2016

w) Address for Shareholders’ correspondence

The Secretarial Department
HCL Technologies Limited
A-10&11, Sector-3,
Noida-201 301 U.P., India
Tel. +91-120-2556436
Fax: +91-120-2526907
E-mail: investors@hcl.com

x) Compliance Certificate on the Corporate Governance from the Auditors

The certificate dated August 3, 2015 obtained from Statutory Auditors of the Company, M/s. S.R. Batliboi & Co.LLP, confirming compliance with the Corporate Governance requirements as stipulated under clause 49 of the Listing Agreement, is annexed hereto.

y) Centers' Locations**Chennai – STPI**

64 & 65, Second Main Road
Ambattur Industrial Estate,
Ambattur (AMB-3)
Chennai-600 058, India
Tel.: +(91) 44 2613 3300
Fax: +(91) 44 4218 0653

D-12, 12B, Ambattur Industrial Estate,
Ambattur (AMB-1)
Chennai-600 058, India
Tel.: +(91) 44 2623 0711
Fax: +(91) 44 2624 4213

8, South Phase, MTH Road,
Ambattur Industrial Estate
Ambattur (AMB-6)
Chennai-600 058, India
Tel.: +(91) 44 4396 8000
Fax: +(91) 44 4396 7004

94, South Phase
Ambattur Industrial Estate,
Ambattur (AMB-4)
Chennai-600 058, India
Tel.: +(91) 44 4226 2222
Fax: +(91) 44 4215 3333

73-74, South Phase
Ambattur Industrial Estate
Ambattur (AMB-5)
Chennai-600 058, India
Tel.: +(91) 44 4393 5000
Fax: +(91) 44 4206 0441

Arihant Technopolis
4/293 Old Mahabalipuram Road
Kandanchavadi
Chennai-600 096, India
Tel.: +(91) 44 4395 7777
Fax :+(91) 44 4359 3445

Block-1, No. 84,
Greams Road
Thousand Lights
Chennai-600 006, India
Tel.: +(91) 44 6622 5522

Chennai SEZ

ETA- Techno Park
Special Economic Zone,
33, Rajiv Gandhi Salai, Navallur Village
and Panchayat,
Thiruporur Panchayat Union, Chengalpet
Taluk, Kanchipuram District,
Chennai-603 103, India
Tel.: +(91) 44 4746 1000
Fax: +(91) 44 6741 2222

ELCOT – SEZ
Special Economic Zone,
602/3, 138, Shollinganallur Village,
Shollinganallur - Medavakkam High Road,
Tambaram Taluk, Kancheepuram District,
Chennai-600 119, India
Tel.: +(91) 44 6105 0000
Fax: +(91) 44 4332 5443

Noida - STPI

A-9, 10 & 11, Sector 3,
Noida-201 301, U.P., India
Tel.: +(91) 120 4013000
Fax: +(91) 120 2539799

A11, Sector 16,
Noida-201 301, U.P., India
Tel.: +(91) 120 4383000
Fax: +(91) 120 2510713

Plot No 1 & 2, Noida Express Highway,
Sector-125, Noida-201301, U.P., India
Tel.: +(91) 120 4046000
Fax: +(91) 120 4258946

A-8 & 9, Sector 60
Noida-201 301, U.P., India
Tel.: +(91) 120 4384000
Fax: +(91) 120 2582915

C-22 A, Sector 57
Noida-201 301, U.P., India
Tel.: +(91) 120 4385000
Fax: +(91) 120 2586420

C-49, Sec-57
Noida-201301, U.P., India
Tel.: +(91) 120 3387000
Fax: +(91) 120 4120303

B 39, Sector 1,
Noida-201 301, U.P., India
Tel.: +(91) 120 4024700
Fax: +(91) 120 2425840

A 2, Sector 3,
Noida-201 301, U.P., India
Tel.: + (91) 120 4362900
Fax: +(91) 120 2534773

A-22, Sector 60,
Noida-201301, U.P., India
Tel.: +(91) 120-4364200
Fax: +(91) 120-4347485

A-104, Sector 58,
Noida-201301, U.P., India
Tel.: +(91) 120 4061200
Fax: +(91) 120 2589667

B-34 / 3, Sector 59,
Noida 201301, U.P., India
Tel.: +(91) 120 4364488
Fax: +(91) 120 2589688

C-23, Sector 58,
Noida-201301, U.P., India
Tel.: +(91) 120-4364200
Fax: +(91) 120-2490428

Noida SEZ

Noida Technology Hub (SEZ)
Plot No: 3A, Sector-126,
Noida-201 303, U.P., India
Tel.: +(91) 120 4683000
Fax: +(91) 120 4683030

Bangalore – STPI

No-137, Ground floor, Vayu block,
'B' Wing, Salarpuria GR Tech park,
Whitefield, Bangalore – 560 066, India
Ph: +91 80 4921 4600

Surya Sapphire, Plot No.3,
1st Phase, Electronic City,
Bangalore-560 100, India
Ph: +(91) 80 6626 7000
Fax: +(91) 80 2852 9100

Karle Town Centre,
Survey No 61/1, 61/2, 94/1,
Adjacent to Nagavara Lake,
100 ft. Kempapura Main Road, Nagavara,
Bangalore - 560 045, India
Ph : +(91) 080-46690100

SJR Equinox, Survey No.47/8,
Dodda Thogur Village, Begur Hobli,
1st Phase, Electronics City,
Bangalore-560 100, India
Ph: +(91) 80 33209000.

Regional Office, 4th Floor,
501-503, Oxford House No.15,
Rustam bag Road,
Behind Manipal Hospital, Old Airport Road
Bangalore-560 017, India

Bangalore SEZ

Special Economic Zone,129,
Tower-1, 2, 3 & 4 Jigani Industrial Area,
Bommasandra Jigani Link Road,
Bangalore – 562 106, India
Ph: +(91) 80 6781 0000
Fax:+(91)80 6631 1111

Karle Town Centre,
Survey Nos. 72, 91/3 and 91/4,
Nagavara Village, Kasaba Hobli,
Bangalore – 562 106, India

Gurgaon – STPI

Plot No CP-3, Sector - 8,
Techno Park, Manesar-122 050
Haryana, India
Tel.: +(91) 0124 6186000
Fax: +(91) 0124 4012518

Gurgaon – Non STPI

Plot No. 243, Udyog Vihar Phase 1,
Dundahera, Gurgaon-122 016
Haryana, India
Tel.: +(91) 0124 4421200

Kolkata - STPI

SDF Building, 1st & 3rd Floors,
Module Nos. 212-214, 228-230 & 413,
Block – GP, Sector – V
Salt Lake, Kolkata-700 091, India
Tel.: (33) 2357 3024-25
Fax: (33) 2357 3027

Kolkata - SEZ

M/s. Unitech Hi-Tech Structures Ltd.
Special Economic Zone – IT/ITES
Plot No.1, Block No. A2, 3rd & 4th Floors,
DH Street, 316 New Town, Rajarhat, Dist.
North 24 Parganas,
Kolkata-700 156, India
Tel.: (33) 3027 2350

Hyderabad - SEZ

H08, Building, HITEC CITY-2 Phoenix
Infocity SEZ, Survey No. 30,34,35&
38.Madhapur, Hyderabad-500081, India
Land Mark: Behind Cyber Gateway.Tel:
+91 (40) 3094 1000

H01B, HITEC CITY-2,
Survey No. 30, 34, 35 & 38.
Phoenix Infocity Pvt. Ltd.
Behind Cyber Gateway, Madhapur,
Hyderabad-500 081, India
Tel: +(91) 40-30904000

4th Floor, Pawani Plaza
No. 6-3-698/A, Panjagutta
Hyderabad-500 082, India
Ph.: +(91) 40-4202 7025

Pune – STPI

Wing 01, Tower A, Survey No. 103,
Hissa No. 2, Airport Road, Yerwada,
Pune-411 006, India

Pune – Non STPI

“Commerzone”, Unit# 401, 4th Floor,
Building 7, Samrat Ashoka Path,
Opposite Airport Road, Yerwada,
Pune (Maharashtra)-411 006, India
Tel.: +(91) 20 67279000
Fax: +(91) 20 67279008

“The Chambers”,
Unit No. 201, 2nd Floor
Viman Nagar, Taluka Haveli,
Village Lohagaon, Pune-411 014, India
Tel.: +(91) 20 66438803
Fax: +(91) 20 66438802

Pune SEZ

Tower-7, Upper Ground Floor,
Wing A&B
Magarpatta SEZ
Hadapsar, Pune-400013, India
Tel.: +(91) 20 3040 6300-01

Coimbatore - Non STPI

KCT Tech Park,
Kumaraguru College of Technology
Campus,
Coimbatore-641 035, India

Coimbatore - SEZ

Module 201 to 203,
Tidel Park Coimbatore Limited
ELCOT SEZ - ITITES
Villankurichi Road,
Civil Aerodrome Post,
Coimbatore-641004, India
Ph.: +(91) 0422 6657525
Fax: +(91) 0422 6657554

Compliance with mandatory and non-mandatory requirements of clause 49 of the Listing Agreement

Clause 49 of the Listing Agreement provides certain mandatory requirements which have to be fulfilled by the Company. The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. The clause further states certain non-mandatory requirements which may be implemented as per the discretion of the Company. The Company complies with the following non-mandatory requirements:

1. Shareholders Rights

The Clause states that half- yearly declaration of financial performance including summary of the significant events in the last six months, may be sent to each shareholder.

The Company communicates with investors regularly through e-mail, telephone and face to face meetings either in investor’s conferences, Company visits or on road shows.

The Company leverages the internet in communicating with its investors. After the announcement of the quarterly results, a business television channel in India telecasts discussions with the management. This enables a large number of retail investors in India to understand the Company’s operations better. The announcement of quarterly results is followed by media briefing in press conferences and earning conference calls. The earning calls are also webcast live on the internet. Further, transcripts of the earnings calls are posted on the website www.hcltech.com. The quarterly financial results are also published in English and Hindi daily newspapers.

2. Audit Qualifications

It is always the Company’s endeavor to present unqualified financial statements. There is no audit qualification in the Company’s financial statements for the year ended June 30, 2015.

3. Separate posts of Chairman and CEO

The positions of the Chairman and the CEO are held by separate individuals. Mr. Shiv Nadar is the Chairman of the Company and Mr. Anant Gupta is the CEO of the Company.

4. Reporting of Internal Auditor

The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.

AUDITORS' CERTIFICATE

REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE PURSUANT TO CLAUSE 49 (XI)(A) OF THE LISTING AGREEMENT

To
The Members of HCL Technologies Limited

We have examined the compliance of conditions of corporate governance by HCL Technologies Limited (the 'Company'), for the year ended on June 30, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S.R. BATLIBOI & CO. LLP
ICAI Firm Registration Number: 301003E
Chartered Accountants

per Tridibes Basu
Partner
Membership Number: 17401

Gurgaon, India
August 3, 2015

**DECLARATION BY CHIEF EXECUTIVE OFFICER PURSUANT TO
CLAUSE 49(II)(E)(2) OF THE LISTING AGREEMENT OF THE INDIAN STOCK EXCHANGES**

We, Shiv Nadar, Chairman & Chief Strategy Officer and Anant Gupta, President & Chief Executive Officer of HCL Technologies Limited ("the Company") confirm that the Company has adopted a Code of Business Ethics and Conduct ("Code of Conduct") for its Board members and senior management personnel and the Code of Conduct is available on the Company's web site.

We, further confirm that the Company has in respect of the financial year ended June 30, 2015, received from its Board members as well as senior management personnel affirmation as to compliance with the Code of Conduct.

Shiv Nadar
Chairman and Chief Strategy Officer

Anant Gupta
President and Chief Executive Officer

Place: Noida, U.P., India
Date: August 3, 2015

CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)**PURSUANT TO CLAUSE 49(IX) OF THE LISTING AGREEMENT**

The Board of Directors
HCL Technologies Limited
New Delhi

Dear members of the Board,

1. We have reviewed the financial statements and the cash flow statement of the Company for the year ended June 30, 2015 and to the best of our knowledge and belief -
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee –
 - (i) that there are no significant changes in internal control over financial reporting during the year;
 - (ii) that there are no significant changes in accounting policies during the year; and
 - (iii) that there are no instances of significant fraud of which we have become aware.

Anant Gupta
President & Chief Executive Officer

Shiv Nadar
Chairman and Chief Strategy Officer

Anil Chanana
Chief Financial Officer

Place: Noida, U.P., India
Date: August 3, 2015

Financial Statements

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INDEPENDENT AUDITOR'S REPORT

To the Members of HCL Technologies Limited

Report on the Financial Statements

We have audited the accompanying Standalone Financial Statements of HCL Technologies Limited ("the Company"), which comprise the Balance Sheet as at June 30, 2015, 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Standalone 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 of the state of affairs of the Company as at June 30, 2015, its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2 As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and 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 it 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 aforesaid Standalone Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on June 30, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on June 30, 2015, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as of June 30, 2015;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as of June 30, 2015;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E

per Tridibes Basu

Partner

Membership Number: 17401

Place: Gurgaon, India

Date: August 3, 2015

Annexure referred to in paragraph 1 of the section on “Report on Other Legal and Regulatory Requirements” of our report of even date

Re: HCL Technologies Limited (the Company)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets were physically verified by the management in accordance with a planned programme of verifying them in phased manner over the period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961#	Income Tax	14,466,193	2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961#	Income Tax	121,896,648	2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961#	Income Tax	1,959,632	2009-10	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961#	Income Tax	126,674	2007-08	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	925,475,897	2010-11	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	494,096,804	2009-10	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	1,797,077,617	2007-08	Income Tax Appellate Tribunal
Income Tax Act, 1961#	Income Tax	88,854,241	2006-07	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	1,590,135,881	2006-07	Income Tax Appellate Tribunal
Income Tax Act, 1961#	Income Tax	650,674	2005-06	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	137,097,922	2005-06	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	9,825,346	2005-06	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	82,365,915	2005-06	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	14,660,911	2005-06	Income Tax Appellate Tribunal
Income Tax Act, 1961*	Income Tax	59,070,422	2005-06	Delhi High Court
Income Tax Act, 1961#	Income Tax	20,696	2004-05	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	17,640,000	2004-05	Delhi High Court
Income Tax Act, 1961*	Income Tax	73,604,302	2004-05	Delhi High Court
Income Tax Act, 1961	Income Tax	440,744,283	2004-05	Supreme Court of India
Income Tax Act, 1961*	Income Tax	23,055,804	2004-05	Delhi High Court

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961#	Income Tax	217,648	2003-04	Income Tax Appellate Tribunal
Income Tax Act, 1961*	Income Tax	208,566,888	2003-04	Delhi High Court
Income Tax Act, 1961	Income Tax	1,660,000	2003-04	Delhi High Court
Income Tax Act, 1961	Income Tax	109,913,332	2003-04	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	14,255,745	2003-04	Supreme Court of India
Income Tax Act, 1961	Income Tax	18,280,770	2002-03	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	66,575,462	2002-03	Supreme Court of India
Income Tax Act, 1961	Income Tax	2,852,500	2001-02	Delhi High Court
Finance Act 1994, read with Service Tax Rules, 1994	Service Tax	1,141,542	2006-11	Customs, Excise, Service Tax Appellant Tribunal, New Delhi
Finance Act 1994, read with Service Tax Rules, 1994	Service Tax	413,219	2009-10	Customs, Excise, Service Tax Appellant Tribunal, New Delhi
Finance Act 1994, read with Service Tax Rules, 1994	Service Tax	21,512,883	2006-07	Commissioner Appeals, Central Excise, Noida
Finance Act 1994, read with Service Tax Rules, 1994	Service Tax	8,162,466	2006-07	Customs, Excise, Service Tax Appellant Tribunal, New Delhi
Central Excise Act, 1944	Excise Act	17,367,443	2011-12	Customs, Excise, Service Tax Appellant Tribunal, Chennai
Customs Act, 1962	Custom Duty	5,517,609	2005-06	Customs, Excise, Service Tax Appellant Tribunal, Bangalore

* In these cases tax demand may arise only if the matter currently subjudice before Honorable Delhi High Court is decided against the Company.

Pursuant to scheme for demerger of IT enabled business of HCL Comnet Systems & Services Limited in FY 2012 -13

(d) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.

(viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.

(ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

(x) According to the information and explanations given to us, the Company has given guarantee for loans taken by others from banks and financial institutions, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Company.

(xi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E

per Tridibes Basu

Partner

Membership Number: 17401

Place: Gurgaon

Date: August 3, 2015

Balance Sheet as at 30 June 2015

(All amounts in crores of ₹)

	Note No.	As at 30 June 2015	As at 30 June 2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2.1	281.20	140.00
(b) Reserves and surplus	2.2	19,124.53	15,605.61
		19,405.73	15,745.61
(2) Share application money pending allotment	2.3	0.02	7.65
(3) Non - current liabilities			
(a) Long-term borrowings	2.4	27.22	27.45
(b) Other long-term liabilities	2.5	282.94	515.43
(c) Long term provisions	2.6	198.77	175.28
		508.93	718.16
(4) Current liabilities			
(a) Short term borrowings	2.7	-	29.25
(b) Trade payables	2.8	468.58	392.47
(c) Other current liabilities	2.8	3,643.67	4,006.16
(d) Short term provisions	2.9	888.13	915.20
		5,000.38	5,343.08
TOTAL		24,915.06	21,814.50
II. ASSETS			
(1) Non-current assets			
(a) Fixed Assets			
(i) Tangible assets	2.10	3,024.98	2,404.30
(ii) Intangible assets	2.10	39.25	44.27
(iii) Capital work in progress		543.95	518.50
		3,608.18	2,967.07
(b) Non-current investments	2.11	3,500.23	3,559.72
(c) Deferred tax assets (net)	2.12	217.88	311.79
(d) Long term loans and advances	2.13	1,106.39	791.65
(e) Other non-current assets	2.14	308.10	177.75
		8,740.78	7,807.98
(2) Current Assets			
(a) Current investments	2.11	624.73	556.29
(b) Inventories	2.15	83.65	15.54
(c) Trade receivables	2.16	3,578.28	3,224.19
(d) Cash and bank balances	2.17	8,829.41	7,911.08
(e) Short -term loans and advances	2.18	1,657.70	984.32
(f) Other current assets	2.19	1,400.51	1,315.10
		16,174.28	14,006.52
TOTAL		24,915.06	21,814.50
Summary of significant accounting policies	1 & 2		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For S.R. BATLIBOI & CO. LLP
 ICAI Firm Registration Number : 301003E
 Chartered Accountants

per Tridibes Basu
Partner
 Membership Number: 17401

 Gurgaon, India
 03 August 2015

For and on behalf of the Board of Directors
of HCL Technologies Limited
Shiv Nadar
 Chairman and Chief Strategy Officer

Anant Gupta
 President and Chief Executive Officer

Manish Anand
 Company Secretary

 Noida (UP), India
 03 August 2015

Amal Ganguli
 Director

Anil Chanana
 Chief Financial Officer

Statement of Profit and Loss for the year ended 30 June 2015

(All amounts in crores of ₹ except share data unless otherwise stated)

	Note No.	Year ended 30 June 2015	Year ended 30 June 2014
Income			
Revenue from operations	2.20	17,153.44	16,497.37
Other income	2.21	1,199.50	659.12
Total revenue		18,352.94	17,156.49
Expenses			
Purchase of traded goods		363.76	345.37
Change in inventories of traded goods	2.22	(66.23)	64.75
Employee benefits expense	2.23	5,924.62	5,123.95
Finance costs	2.24	60.64	81.65
Depreciation and amortization expense	2.10	299.92	490.70
Other expenses	2.25	4,071.69	3,652.41
Total expenses		10,654.40	9,758.83
Profit before tax		7,698.54	7,397.66
Provision for tax			
Current tax		1,610.45	1,555.74
MAT credit entitlement		(310.43)	(115.91)
Deferred tax charge/(credit)		52.57	(26.79)
Total tax expense		1,352.59	1,413.04
Profit for the year		6,345.95	5,984.62
Earnings per equity share of par value ₹ 2 each	2.32		
Basic (in ₹)		45.17	42.83
Diluted (in ₹)		44.91	42.26
Summary of significant accounting policies	1 & 2		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For S.R. BATLIBOI & CO. LLP
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 Chartered Accountants

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 03 August 2015

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Cash flow statement

(All amounts in crores of ₹)

	Year ended 30 June 2015	Year ended 30 June 2014
A. Cash flows from operating activities		
Profit before tax	7,698.54	7,397.66
Adjustment for:		
Depreciation and amortization	299.92	490.70
Interest income	(795.95)	(533.16)
Dividend income	(78.24)	(24.68)
Profit on sale of investments (net)	(33.76)	(50.42)
Interest expenses	16.11	72.35
Profit on sale of fixed assets (net)	(97.06)	(47.97)
Employee stock compensation expense/(written back)	(15.39)	30.92
Other non cash (benefits)/charges	(24.08)	53.43
Operating profit before working capital changes	6,970.09	7,388.83
Movement in Working Capital		
(Increase)/decrease in trade receivables	(342.84)	(559.87)
(Increase)/decrease in inventories	(68.34)	67.16
(Increase)/decrease in loans and advances	(77.35)	5.89
(Increase)/decrease in other assets	(197.31)	(122.24)
Increase/ (decrease) in liabilities and provisions	501.57	601.21
Cash generated from operations	6,785.82	7,380.98
Direct taxes paid (net of refunds)	(1,450.15)	(1,233.76)
Net cash flow from operating activities (A)	5,335.67	6,147.22
B. Cash flows from investing activities		
Proceeds from bank deposit on maturity	7,670.35	2,653.02
Investments in bank deposits	(8,396.68)	(7,670.35)
Purchase of investments in securities	(7,774.96)	(7,354.54)
Proceeds from sale of investments in securities	7,740.27	7,344.65
Payment for investment in mutual fund - units allotted on 01 July, 2014	-	(55.00)
Deposits placed with body corporate	(1,193.00)	(564.00)
Proceeds from maturity of deposits placed with body corporate	564.00	680.50
Proceeds from repayment of loans given to subsidiaries	-	414.00
Proceeds from redemption of preference shares	59.49	-
Advance against sale of building	-	108.00
Purchase of fixed assets, including capital work in progress and capital advances	(1,059.29)	(605.06)
Proceeds from sale of fixed assets	7.69	60.47
Dividend received	78.24	24.68
Interest received	810.32	488.62
Taxes paid	(269.47)	(180.53)
Net cash flow used in investing activities (B)	(1,763.04)	(4,655.54)

Cash flow statement

(All amounts in crores of ₹)

	Year ended 30 June 2015	Year ended 30 June 2014
C. Cash flows from financing activities		
Proceeds from issue of share capital	10.45	34.47
Repayment of debentures	(500.00)	-
Proceeds from long term borrowings	17.54	11.11
Repayment of long term borrowings	(15.92)	(13.97)
Proceeds from short term borrowings	425.07	28.78
Repayment of short term borrowings	(454.33)	(82.00)
Dividend paid	(2,385.11)	(1,118.39)
Corporate dividend tax	(439.27)	(184.45)
Interest paid	(18.64)	(72.88)
Principal payment on finance lease obligations	-	(0.34)
Net cash flow used in financing activities (C)	(3,360.21)	(1,397.67)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	212.42	94.01
Effect of exchange differences on cash and cash equivalents held in foreign currency	(20.42)	(9.09)
Cash and cash equivalents at the beginning of the year	240.73	155.81
Cash and cash equivalents at the end of the year as per note 2.17(a) (refer note below)	432.73	240.73
Summary of significant accounting policies (Note 1)		

Note:

Cash and cash equivalents include the following:

Investor education and protection fund-unclaimed dividend *	2.99	2.51
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* The Company can utilize these balances only towards the settlement of the respective above mentioned liabilities:

As per our report of even date
For S.R. BATLIBOI & CO. LLP
 ICAI Firm Registration Number : 301003E
 Chartered Accountants

per Tridibes Basu
 Partner
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 Gurgaon, India
 03 August 2015

**For and on behalf of the Board of Directors
 of HCL Technologies Limited**
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 Noida (UP), India
 03 August 2015

Amal Ganguli
 Director

Anil Chanana
 Chief Financial Officer

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Company Overview

HCL Technologies Limited (hereinafter referred to as 'HCL' or the 'Company') is primarily engaged in providing a range of software services, business process outsourcing services and IT infrastructure services. The Company was incorporated in India in November 1991. The Company leverages its extensive offshore infrastructure and global network of offices and professionals located in various countries to deliver solutions across select verticals including financial services, manufacturing (automotive, aerospace, hi-tech and semi conductors), telecom, retail and consumer packaged goods services, media, publishing and entertainment, public services, energy and utility, healthcare and travel, transport and logistics.

1. Significant Accounting Policies
a) Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). These financial statements have been prepared to comply in all material aspects with the applicable accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared under the historical cost convention on an accrual and going concern basis except for certain financial instruments which are measured at fair value.

The accounting policies adopted in the preparation of the financial statements are consistent with those of the previous year unless stated specifically in the accounting policies below.

b) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates.

c) Tangible fixed assets and capital work-in-progress

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses on existing fixed assets, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Fixed assets under construction and cost of assets not ready for use before the year-end, are disclosed as capital work – in-progress.

d) Depreciation on tangible fixed assets

Depreciation on tangible fixed assets is provided on the straight-line method over their estimated useful lives, as determined by the management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

The management's estimates of the useful lives of various tangible fixed assets for computing depreciation are as follows:

	Life (in years)
Land-leasehold	Over the period of lease (up to maximum of 99 years)
Buildings	20
Plant and machinery (including, air conditioners and electrical installations)	10
Office equipments	5
Computers	4-5
Furniture and fixtures	7
Vehicles – owned	5
Vehicles – leased	Over the period of lease or 5 years, whichever is lower
Leasehold-improvements	Over the remaining period of lease or 4 years, whichever is lower

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

The useful lives as given above best represent the period over which the management expects to use these assets, based on technical assessment. Hence, the useful lives for these assets are different from the useful lives prescribed under Part C of Schedule II of the Companies Act 2013.

Till year ended 30 June 2014, to comply with the requirements of Schedule XIV to the Companies Act, 1956, the Company was charging 100% depreciation on assets costing ₹ 5,000/- or less in the year of purchase. However, to comply with the requirement of Schedule II to the Companies Act, 2013, the Company has changed its accounting policy for depreciation of assets costing ₹ 5,000/- or less. As per the revised policy, the Company depreciates such assets over their useful lives as assessed by the management. The management has decided to apply the revised accounting policy prospectively from the accounting year commencing on or after 01 July 2014.

The change in the accounting for depreciation of assets costing ₹ 5,000/- or less did not have any material impact on financial statements of the Company for the current year.

e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following the initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over their estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from the previous estimate, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefit from the asset, the amortization method is changed to reflect the changed pattern.

Gains or losses arising from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss when the asset is derecognized.

Goodwill arising out of amalgamation is amortized over 5 years unless a longer period can be justified.

The management's estimates of the useful life of Software is 3 years.

f) Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate all the following:

- (i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (ii) Its intention to complete the asset;
- (iii) Its ability to use or sell the asset;
- (iv) How the asset will generate future economic benefits;
- (v) The availability of adequate resources to complete the development and to use or sell the asset; and
- (vi) The ability to measure reliably the expenditure attributable to the intangible asset during development.

Any expenditure so capitalized is amortized over the period of expected future sales from the related project.

The carrying value of development costs is reviewed annually for impairment when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

g) Leases***Where the Company is the lessee***

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value or present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance cost in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of the lease are capitalized.

A leased asset is depreciated on a straight line basis over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight line basis over the shorter of the estimated useful life of the asset or lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor

Leases in which the Company transfers substantially all the risk and benefits of ownership of the asset are classified as finance leases. Assets given under a finance lease are recognized as a receivable at an amount equal to the net investment in the leased assets. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance leases. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal cost, brokerage cost etc are recognized immediately in the statement of profit and loss.

Leases in which the Company does not transfer substantially all the risk and benefits of ownership of the assets, are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal cost, brokerage cost etc are recognized immediately in the statement of profit and loss.

h) Borrowing cost

Borrowing costs include interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

i) Impairment of tangible and intangible assets

An assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible or intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. The recoverable amount is the higher of an asset's or cash generating unit's net selling price or its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

j) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises the purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired by the issue of shares or other securities, the acquisition cost is the fair value of securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried at the lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of the long term investments.

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

k) Inventories

Stock in trade, stores and spares are valued at the lower of the cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Cost of stock in trade procured for specific projects is assigned by identification of individual costs of each item. Cost of stock in trade, that are interchangeable and not specific to any project and cost of stores and spare parts are determined using the weighted average cost formula.

l) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from sale of goods and rendering of services is recognized when risk and reward of ownership have been transferred to the customer, the sale price is fixed or determinable and collectability is reasonably assured.

The Company derives revenues primarily from:-

- Software services;
- IT Infrastructure services; and
- Business process outsourcing services.

i) Software services

Revenue from software services comprises income from time and material and fixed price contracts. Revenue with respect to time and material contracts is recognized as related services are performed. Revenue from fixed price contracts is recognized in accordance with the percentage completion method under which revenue is recognized on the basis of cost incurred in respect of each contract as a proportion of total cost expected to be incurred. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provision for estimated losses is made during the year in which a loss becomes probable based on current cost estimates. Revenue from sale of licenses for the use of software applications is recognized on transfer of title in the user license. Revenue from annual technical service contracts is recognized on a pro rata basis over the period in which such services are rendered. Income from revenue sharing agreements is recognized when the right to receive is established.

ii) IT Infrastructure services

Revenue from sale of products is recognized when risk and reward of ownership have been transferred to the customer, the sale price is fixed or determinable and collectability is reasonably assured. Revenue related to products with installation services that are critical to the products is recognized when installation of networking equipment at customer site is completed and accepted by the customer. Revenue from bandwidth services is recognized upon actual usage of such services by customers based on either the time for which these services are provided or volume of data transferred or both and excludes service tax. Revenue from maintenance services is recognized ratably over the period of the contract. Revenue from IT infrastructure management services comprises income from time and material, and fixed price contracts. Revenue with respect to time-and-material contracts is recognized as related services are performed. Revenue with respect to fixed price contracts is recognized in accordance with the percentage of completion method.

Unearned revenue arising in respect of bandwidth services and maintenance services is calculated on the basis of the unutilized period of service at the balance sheet date and represents revenue which is expected to be earned in future periods in respect of these services.

In case of multiple-deliverable contracts where revenue cannot be allocated to various deliverables in a contract, the entire contract is accounted for as one deliverable and accordingly the revenue is recognized on a proportionate completion method following the performance pattern of predominant services in the contract or is deferred until the last deliverable is delivered.

iii) Business process outsourcing services

Revenue from business process outsourcing services is derived from both time based and unit-price contracts. Revenue is recognized as the related services are performed in accordance with the specific terms of the contracts with the customers.

Earnings in excess of billing are classified as unbilled revenue, while billing in excess of earnings are classified as unearned revenue. Incremental revenue from existing contracts arising on future sales of the customers' products will be

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

recognized when it is earned. Revenue and related direct costs from transition services in outsourcing arrangements are deferred and recognized over the period of the arrangement. Certain upfront non-recurring costs incurred in the initial phases of outsourcing contracts and contract acquisition costs, are deferred and amortized usually on a straight line basis over the term of the contract. The Company periodically estimates the undiscounted cash flows from the arrangement and compares it with the unamortized costs. If the unamortized costs exceed the undiscounted cash flow, a loss is recognized.

The Company gives volume discounts and pricing incentives to customers. The discount terms in the Company's arrangements with customers generally entitle the customer to discounts, if the customer completes a specified level of revenue transactions. In some arrangements, the level of discount varies with increases in the levels of revenue transactions. The Company recognizes discount obligations as a reduction of revenue based on the rateable allocation of the discount to each of the underlying revenue transactions that result in progress by the customer toward earning the discount.

Revenues are shown net of sales tax, value added tax, service tax and applicable discounts and allowances.

Revenue from finance leases is recognized when risk of loss is transferred to the customer and there are no unfulfilled obligations that affect the client's final acceptance of the arrangement. Interest attributable to finance leases is recognized on the accrual basis using the effective interest method.

(iv) **Others**

Interest on the deployment of surplus funds is recognized using the time-proportion method, based on interest rates implicit in the transaction. Brokerage, commission and rent are recognized once the same are earned and accrued to the Company and dividend income is recognized when the right to receive the dividend is established.

m) Foreign currency translation

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency, at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expense in the statement of profit and loss in the year in which they arise.

(iv) Hedging

(a) Cash flow hedging

The Company uses derivative financial instruments (foreign currency forward and option contracts) to hedge its risks associated with foreign currency fluctuations relating to certain highly probable forecast transactions.

The use of foreign currency forward and options contracts is governed by the Company's policies, which provide written principles on the use of such financial derivatives, consistent with the Company's risk management strategy. The Company does not use derivative financial instruments for speculative purposes.

The derivative instruments are initially measured at fair value, and are re-measured at subsequent reporting dates. In respect of derivatives designated as hedges, the Company formally documents all relationships between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Company also formally assesses, both at the inception of the hedge and on an ongoing basis, whether each derivative is highly effective in offsetting changes in fair values or cash flows of the hedged item. Changes in the fair value of these derivatives (net of tax) that are designated and effective as hedges of future cash flows are recognized directly in the hedging reserve account under shareholders' funds and the ineffective portion is recognized immediately in the statement of profit and loss. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the statement of profit and loss as they arise.

Hedge accounting is discontinued from the last testing date when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on such hedging instrument recognized in shareholders' funds is retained until the forecast transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in shareholders' funds is transferred to the statement of profit and loss for the year.

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

(b) Hedging of monetary assets and liabilities

Exchange differences on such contracts are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of a forward exchange contract is recognized as income or as an expense for the year.

(v) Translation of integral and non-integral foreign operation

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation had been those of the Company itself.

In translating the financial statements of a non-integral foreign operation for incorporation in the financial statements, the assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation are translated at the closing rate; and income and expense items of the non-integral foreign operation are translated at weighted average rates, which approximate the actual exchange rates. All resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

On the disposal of a non-integral foreign operation, the cumulative amount of the exchange differences which had been deferred and which relate to that operation are recognized as income or as an expense in the same period in which the gain or loss on disposal is recognized.

n) Retirement and other employee benefits

- i. Contributions to provident fund, a defined benefit plan, are deposited with Recognized Provident Fund Trusts, set up by the Company. The Company's liability is actuarially determined at the end of the year. Actuarial losses/ gains are recognized in the statement of profit and loss in the year in which they arise. The minimum interest rate payable by the Trust to the beneficiaries every year is notified by the Government and the Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.
- ii. In respect of superannuation, a defined contribution plan for applicable employees, the Company contributes to a scheme administered on its behalf by an insurance company and such contributions for each year of service rendered by the employees are charged to the statement of profit and loss. The Company has no further obligations to the superannuation plan beyond its contributions.
- iii. Gratuity liability: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's base salary and the tenure of employment (subject to maximum of ₹ 10 Lacs per employee). The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.
- iv. Compensated absences: The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation (using the Projected Unit Credit method) based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the balance sheet date. The expense on non-accumulating compensated absences is recognized in the period in which the absences occur.
- v. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.
- vi. State Plans : The Company's contribution to State Plans , a defined contribution plan namely Employee State Insurance Fund and Employees Pension Scheme are charged to the statement of profit and loss.

o) Taxation

Tax expense comprises current and deferred tax. Current income tax expense comprises taxes on income from operations in India and foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961 and tax expense relating to overseas operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Deferred tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

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. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets, against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws.

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. In situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

At each balance sheet date the Company re-assesses recognized and unrecognized deferred tax assets. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which the deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. The Company recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The Company is subject to Minimum Alternative Tax (MAT) on its book profit, which gives rise to future economic benefit in the form of adjustment of future income tax liability. MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which MAT Credit becomes eligible to be recognized as an asset in accordance with the guiding professional pronouncements, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the MAT Credit Entitlement at each balance sheet date and writes-down the carrying amount of the MAT Credit Entitlement to the extent that there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

p) Employee stock compensation cost

In accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (as applicable) and the Guidance Note on Accounting for Employee Share-based Payments issued by the Institute of Chartered Accountants of India, the Company calculates the compensation cost of equity-settled transactions based on the intrinsic value method wherein the excess of the market price of the underlying equity shares on the date of the grant of the options over the exercise price of the options given to the employees under the employee stock option schemes of the Company, is recognized as deferred stock compensation cost and is amortized on a graded vesting basis over the vesting period of the options.

q) Earnings per share

Basic earnings per share are computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for bonus shares.

r) Provisions

A provision is recognized when there exists a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to present value and are determined based on best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

s) Contingent liabilities

A contingent liability is a possible obligation that may arise from past events whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably; the Company does not recognize a contingent liability but discloses its existence in the financial statements. .

t) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term deposits with banks with an original maturity of three months or less.

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2. Notes on accounts
2.1 Share Capital

	As at 30 June	
	2015	2014
Authorized		
1,500,000,000 (Previous year 750,000,000) equity shares of ₹ 2 each	300.00	150.00
Issued, subscribed and fully paid up		
1,405,978,418 (Previous year 699,976,381) equity shares ₹ 2 each	281.20	140.00

Terms/ rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of 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.

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

	As at 30 June			
	2015		2014	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Number of shares at the beginning	699,976,381	140.00	696,869,857	139.37
Add: Shares issued on exercise of employee stock options	3,154,076	0.63	3,106,524	0.63
Add: Bonus shares issued	702,847,961	140.57	–	–
Number of shares at the end	1,405,978,418	281.20	699,976,381	140.00

The Company does not have any holding/ ultimate holding company.

Details of shareholders holding more than 5% shares in the company:-

Name of the shareholder	As at 30 June			
	2015		2014	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Equity Shares of ₹ 2 each fully paid up				
Vama Sundari Investments (Delhi) Private Limited	600,097,024	42.68%	300,048,512	42.87%
HCL Holdings Private Limited	239,097,816	17.01%	119,548,908	17.08%

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

	As at 30 June	
	2015	2014
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.	10,125 Equity shares	10,125 Equity shares
Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	702,847,961 Equity shares	Nil
Aggregate number and class of shares bought back	Nil	Nil

During the year pursuant to approval of the shareholders through postal ballot on 10 March 2015, a sum of Rs. 140.57 crores was capitalized from securities premium account for issuance of 702,847,961 bonus shares of Rs. 2/- each fully paid-up and these bonus shares were allotted by the Company on 21 March 2015. The said bonus shares were issued in the proportion of 1 equity share for every 1 equity share of Rs. 2/- each held by the equity shareholders of the Company on the record date of 20 March 2015.

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Employee Stock Option Plan (ESOP)

The Company has provided various share-based payment schemes to its employees. During the year ended 30 June 2015, the following schemes were in operation:

	ESOP 1999	ESOP 2000	ESOP 2004
Maximum number of options under the plan	20,000,000	15,000,000	20,000,000
Method of Settlement (Cash/Equity)	Equity	Equity	Equity
Vesting Period (Maximum)	110 months	104 months	96 months
Exercise Period from the date of vesting (maximum)	5 years	5 years	5 years
Vesting Conditions	Service Period	Service Period	Service Period/ Group performance

During the year ended 30 June 2014, the following schemes were in operation:

	ESOP 1999	ESOP 2000	ESOP 2004
Maximum number of options under the plan	20,000,000	15,000,000	20,000,000
Method of Settlement (Cash/Equity)	Equity	Equity	Equity
Vesting Period (Maximum)	110 months	104 months	96 months
Exercise Period from the date of vesting (maximum)	5 years	5 years	5 years
Vesting Conditions	Service Period	Service Period	Service Period/ Group performance

Each option granted under the above plans entitles the holder to eight equity shares (four equity shares prior to 1:1 bonus issue) of the Company at an exercise price, which is approved by the Nomination and Remuneration Committee.

The details of activity under various plans have been summarized below:-

ESOP 1999	Year ended 30 June			
	2015		2014	
	No of options	Weighted average exercise price (₹)	No of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	125,823	722.45	324,422	666.37
Add: Granted during the year	-	-	-	-
Less: Forfeited during the year	-	-	-	-
Exercised during the year	(101,849)	641.68	(184,025)	638.94
Expired during the year	(23,974)	645.51	(14,574)	645.34
Options outstanding at the end of the year	-	-	125,823	722.45
Options exercisable at the end of the year	-	-	125,823	

The weighted average option price at the date of exercise for stock options exercised during the year was ₹ 6,419.36 (Previous year ₹ 4,635.01)

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

ESOP 2000	Year ended 30 June			
	2015		2014	
	No of options	Weighted average exercise price (₹)	No of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	210,241	642.84	583,255	641.16
Add: Granted during the year	-	-	-	-
Less: Forfeited during the year	-	-	-	-
Exercised during the year	(167,144)	636.82	(301,986)	637.05
Expired during the year	(43,097)	665.07	(71,028)	653.61
Options outstanding at the end of the year	-	-	210,241	642.84
Options exercisable at the end of the year	-	-	210,241	

The weighted average option price at the date of exercise for stock options exercised during the year was ₹ 6,430.37 (Previous year ₹ 4,645.11)

ESOP 2004	Year ended 30 June			
	2015		2014	
	No of options	Weighted average exercise price (₹)	No of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	1,728,849	11.69	2,238,201	14.48
Add: Granted during the year	-	-	8,000	8.00
Less: Forfeited during the year	(204,366)	13.11	(225,132)	8.00
Exercised during the year	(484,214)	18.71	(290,620)	28.69
Expired during the year	(12,990)	122.48	(1,600)	1,329.66
Options outstanding at the end of the year *	1,027,279	16.00	1,728,849	11.69
Options exercisable at the end of the year	200,397		274,481	

The weighted average option price at the date of exercise for stock options exercised during the year was ₹ 6,694.63 (Previous year ₹ 4,998.73)

* Total number of outstanding options includes 837,785 as on 30 June 2015 (1,252,638 as on 30 June 2014) performance based options. These options will vest to the employees of the Group based on the achievement of certain targets by the Group.

The details of exercise price for stock options outstanding at the end of the year 30 June 2015 are:

Name of the Plan	Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
Employee Stock Option Plan-1999	₹ 240 - ₹ 750	-	-	-
Employee Stock Option Plan-2000	₹ 260 - ₹ 470 ₹ 483 - ₹ 823	- -	- -	- -
Employee Stock Option Plan-2004	₹ 16 ₹ 642 - ₹ 741	1,027,279 -	3.93 -	16.00 -

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

The details of exercise price for stock options outstanding at the end of the year 30 June 2014 are:

Name of the Plan	Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
Employee Stock Option Plan-1999	₹ 240 - ₹ 750	125,823	-	722.45
Employee Stock Option Plan-2000	₹ 260 - ₹ 470	-	-	-
	₹ 483 - ₹ 823	210,241	-	642.84
Employee Stock Option Plan-2004	₹ 8	1,719,386	4.80	8.00
	₹ 642 - ₹ 741	9,463	-	682.38

There are no options granted during the current year and the weighted average fair value of stock options granted during the previous year was ₹ 3,304.31. The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	Year ended 30 June	
	2015	2014
Weighted average share price	-	396.18
Exercise Price	-	₹ 2.00
Expected Volatility	-	30.80%
Historical Volatility	-	30.80%
Life of the options granted (vesting and exercise period) in years	-	3.15 - 3.21 Years
Expected dividends	-	₹ 8.00
Average risk-free interest rate	-	7.80%
Expected dividend rate	-	2.02%

The expected volatility was determined based on historical volatility data.

The Company has calculated the compensation cost based on the intrinsic value method i.e. the excess of market price of underlying equity shares on the date of the grant of options over the exercise price of the options granted to employees under the employee stock option schemes of the Company. The amount is recognized as deferred stock compensation cost and is amortized on a graded vesting basis over the vesting period of the options. Had the Company applied the fair value method for determining compensation cost, the impact on net income and earnings per share is provided below:

	Year ended 30 June	
	2015	2014
Net income - As reported	6,345.95	5,984.62
Add: Employee stock compensation under intrinsic value method	(15.39)	30.92
Less: Employee stock compensation under fair value method	(7.71)	39.12
Net income - Proforma	6,338.27	5,976.42
Earnings per share (₹) refer note 2.32		
Basic – As reported	45.17	42.83
– Proforma	45.12	42.77
Diluted – As reported	44.91	42.26
– Proforma	44.86	42.20

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.2 Reserves and Surplus

	As at 30 June	
	2015	2014
Securities premium account		
Balance as per last financial statements	1,933.97	1,863.83
Add: exercise of stock option by employees	87.81	70.14
Less: amount utilized for issuance of fully paid up bonus shares (refer note 2.1)	(140.57)	-
	1,881.21	1,933.97
Debenture redemption reserve		
Balance as per last financial statements	500.00	400.00
Add: amount transferred from surplus in the statement of profit and loss	-	100.00
Less: amount transferred to statement of profit and loss on redemption of debentures	(500.00)	-
	-	500.00
Share options outstanding		
Balance as per last financial statements	206.92	278.42
Add: options granted during the year	-	2.89
Less: transferred to securities premium on exercise of stock options	(85.74)	(74.39)
	121.18	206.92
Hedging reserve account (net of deferred tax) (refer note 2.31)		
Balance as per last financial statements	(210.28)	(488.52)
Add: movement during the year (net)	169.60	278.24
	(40.68)	(210.28)
Foreign currency translation reserve		
Balance as per last financial statements	(1.82)	(2.73)
Add: exchange difference during the year on net investment in non-integral operations	(33.27)	0.91
	(35.09)	(1.82)
General reserve		
Balance as per last financial statements	1,989.20	1,389.20
Add: amount transferred from surplus in the statement of profit and loss	650.00	600.00
	2,639.20	1,989.20
Capital reserve		
Balance as per last financial statements	119.54	119.54
Add: movement during the year	-	-
	119.54	119.54
Surplus in the statement of profit and loss		
Balance as per last financial statements	11,068.08	6,597.12
Add: profit for the year	6,345.95	5,984.62
Add: amount transferred from debenture redemption reserve on redemption of debentures	500.00	-
Amount available for appropriation	17,914.03	12,581.74

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.2 Reserves and Surplus (Contd.)

	As at 30 June	
	2015	2014
Less: appropriations		
Interim dividend [amount per share ₹ 30 (Previous year ₹10)]*	2,385.59	699.10
Proposed final dividend [including ₹ Nil crores (previous year ₹ 1.17 crores) paid for previous year] [amount per share ₹ Nil (Previous year ₹ Nil)]	-	1.17
Total dividend	2,385.59	700.27
Corporate dividend tax [including ₹ Nil crores (previous year ₹ 0.20 crores) paid for previous year]	439.27	113.39
Transfer to general reserve	650.00	600.00
Transfer to debenture redemption reserve	-	100.00
Net surplus in the statement of profit and loss	14,439.17	11,068.08
	19,124.53	15,605.61

* not adjusted for bonus issue

2.3 Share application money pending allotment

	2015	2014
- number of shares proposed to be issued (adjusted for bonus shares issued)	84,680	1,197,896
- the amount of premium	-	7.53
- whether the Company has sufficient authorized share capital to cover the share capital amount on allotment of shares out of share application money	Yes	Yes
- Interest accrued on amount due for refund	Nil	Nil

Note - The Company expects to make the allotment during the quarter ended 30 September 2015.

2.4 Long term borrowings

	Non-current portion		Current maturities	
	30 June 2015	30 June 2014	30 June 2015	30 June 2014
Secured				
Debentures				
8.80% Secured redeemable non convertible debentures of ₹ 10 lacs each (repaid on 10 September 2014)	-	-	-	500.00
From banks				
Long term loans (refer note 1 below)	27.22	27.45	13.41	11.56
From others				
Finance lease obligations (refer note Note 2.26(i))	-	-	-	0.33
	27.22	27.45	13.41	511.89
Amount disclosed under the head "other current liabilities" (note 2.8)	-	-	(13.41)	(511.89)
	27.22	27.45	-	-

Note:-

The Company has availed of a term loans of ₹ 40.63 (Previous year ₹ 39.01 crores) secured by hypothecation of gross block of vehicles of ₹ 89.20 crores (Previous year ₹ 76.02 crores) at interest rates ranging from 10.2% to 10.5%. The loans are repayable over a period of 3 to 5 years on a monthly basis.

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.5 Other long term liabilities

	As at 30 June	
	2015	2014
Income received in advance	135.55	193.33
Income received in advance - related parties (refer note 2.28)	93.38	178.61
Liability for expenses	16.27	15.29
Unrealized loss on forward covers	37.74	128.20
	282.94	515.43

2.6 Long term provisions

	As at 30 June	
	2015	2014
Provision for employee benefits	198.77	175.28
	198.77	175.28

2.7 Short term borrowings

	As at 30 June	
	2015	2014
Unsecured		
Bank overdraft	-	29.25
	-	29.25

2.8 Trade payable and other current liabilities

	As at 30 June	
	2015	2014
Trade payables (refer note 2.33 for details of dues to micro and small enterprises)	180.94	117.46
Trade payables-related parties (refer note 2.28)	287.64	275.01
	468.58	392.47
Other current liabilities		
Current maturities of long term loans	13.41	511.89
Interest accrued but not due on borrowings	-	2.53
Unclaimed dividends	2.99	2.51
Advances received from customers	28.09	16.86
Advances received from customers- related parties (refer note 2.28)	2.41	-
Capital accounts payables [includes supplier credit ₹ 423.49 crores (previous year ₹ 601.49 crores)]	670.67	748.45
Capital accounts payables-related parties [includes supplier credit ₹ 4.38 crores (previous year ₹ 28.24 crores)] (refer note 2.28)	6.87	32.25
Unrealized loss on forward cover	15.20	137.57
Income received in advance	298.47	200.26
Income received in advance-related parties (refer note 2.28)	257.06	330.12
Accrued salaries and benefits		
Employee bonuses accrued	391.39	348.00
Other employee costs	181.10	200.10

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

	As at 30 June	
	2015	2014
Other liabilities		
Liabilities for expenses	771.82	722.31
Liabilities for expenses-related parties (refer note 2.28)	493.94	227.71
Supplier credit	396.11	309.62
Supplier credit -related parties (refer note 2.28)	9.54	10.53
Withholding and other taxes payable	104.60	97.45
Advance against sale of building - related parties (refer note 2.28)	-	108.00
	3,643.67	4,006.16

2.9 Short term provisions

	As at 30 June	
	2015	2014
Provision for employee benefits	208.77	186.91
Income taxes (refer note 1 below)	677.58	726.88
Wealth tax (refer note 2 below)	1.78	1.41
	888.13	915.20

Notes:

1. Net of advance income tax of ₹ 5,289.51 crores (Previous year ₹ 3,590.29 crores).
2. Net of advance wealth tax of ₹ 7.95 crores (Previous year ₹6.60 crores).

Note 2.10 Fixed Assets (refer note 1(c), (d) , (e))

The changes in the carrying value of fixed assets for the year ended 30 June 2015

	Gross block				Accumulated depreciation / amortization					Net block		
	As at 1 July 2014	Additions	Deletions/ Adjustments	Translation exchange differences	As at 30 June 2015	As at 1 July 2014	Charge for the year	Deletions/ Adjustments	Translation exchange differences	As at 30 June 2015	As at 30 June 2015	As at 30 June 2014
Tangible Assets												
Freehold land	80.89	-	0.27	-	80.62	-	-	-	-	-	80.62	80.89
Leasehold land	159.29	119.57	6.18	-	272.68	13.10	2.68	1.15	-	14.63	258.05	146.19
Buildings	1,689.46	361.54	23.30	-	2,027.70	233.74	90.37	14.96	-	309.15	1,718.55	1,455.72
Plant and machinery	878.41	182.41	7.67	(0.27)	1,052.88	524.99	53.58	7.55	(0.11)	570.91	481.97	353.42
Office Equipment	175.88	20.68	5.03	(0.07)	191.46	141.35	12.83	4.98	(0.06)	149.14	42.32	34.53
Computers	903.37	148.98	12.89	(0.79)	1,038.67	714.04	70.64	12.88	(0.47)	771.33	267.34	189.33
Furniture and fittings	470.80	50.64	24.63	(0.52)	496.29	377.17	20.15	24.60	(0.32)	372.40	123.89	93.63
Vehicles- owned	82.94	23.75	11.96	-	94.73	34.77	17.06	7.32	-	44.51	50.22	48.17
- leased	4.25	-	1.50	-	2.75	1.83	0.04	1.14	-	0.73	2.02	2.42
Total (A)	4,445.29	907.57	93.43	(1.65)	5,257.78	2,040.99	267.35	74.58	(0.96)	2,232.80	3,024.98	2,404.30
Intangible Assets												
Goodwill	1.98	-	-	-	1.98	1.98	-	-	-	1.98	-	-
Software	473.79	28.22	74.19	(0.86)	426.96	429.52	32.57	73.97	(0.41)	387.71	39.25	44.27
Total (B)	475.77	28.22	74.19	(0.86)	428.94	431.50	32.57	73.97	(0.41)	389.69	39.25	44.27
Total (A)+(B)	4,921.06	935.79	167.62	(2.51)	5,686.72	2,472.49	299.92	148.55	(1.37)	2,622.49	3,064.23	2,448.57

- Note:** 1. Capital work in progress includes ₹ 37.52 crores interest on negotiated extended interest bearing suppliers credit and during the period ₹ 25.51 crores have been capitalised by the Company.
2. Based on technical evaluation, the Company reassessed and revised the useful lives of assets with effect from 01 July 2014.

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

The existing and revised useful lives are as below:

Category of Assets	Existing Useful Life (Years)	Revised Useful Life (Years)
Buildings	20	20
Plant and machinery (including air conditioners, electrical installations)	4-5	10
Office Equipments	4	5
Computers	3	4-5
Furniture and fixtures	4	7
Vehicles - owned	5	5

Had the Company continued with the previously assessed useful lives, charge for depreciation for the year ended 30 June 2015 would have been higher by ₹ 189.65 crores for assets held at 01 July 2014.

The changes in the carrying value of fixed assets for the year ended 30 June 2014

	Gross block					Accumulated depreciation / amortization					Net block	
	As at 1 July 2013	Additions	Deletions/ Adjustments	Translation exchange differences	As at 30 June 2014	As at 1 July 2013	Charge for the year	Deletions/ Adjustments	Translation exchange differences	As at 30 June 2014	As at 30 June 2014	As at 30 June 2013
Tangible Assets												
Freehold land	80.89	-	-	-	80.89	-	-	-	-	-	80.89	80.89
Leasehold land	163.92	0.02	4.65	-	159.29	12.13	1.80	0.83	-	13.10	146.19	151.79
Buildings	1,169.58	531.57	11.69	-	1,689.46	173.16	67.82	7.24	-	233.74	1,455.72	996.42
Plant and machinery	670.22	225.52	17.49	0.16	878.41	424.56	117.71	17.41	0.13	524.99	353.42	245.66
Office Equipment	203.19	12.66	40.01	0.04	175.88	161.78	19.43	39.91	0.05	141.35	34.53	41.41
Computers	874.14	117.41	88.45	0.27	903.37	635.13	167.08	88.28	0.11	714.04	189.33	239.01
Furniture and fittings	457.65	58.37	45.49	0.27	470.80	372.34	50.08	45.45	0.20	377.17	93.63	85.31
Vehicles- owned	73.46	17.85	8.37	-	82.94	22.69	15.95	3.87	-	34.77	48.17	50.77
- leased	13.77	-	9.52	-	4.25	8.08	1.18	7.43	-	1.83	2.42	5.69
Total (A)	3,706.82	963.40	225.67	0.74	4,445.29	1,809.87	441.05	210.42	0.49	2,040.99	2,404.30	1,896.95
Intangible Assets												
Goodwill	1.98	-	-	-	1.98	1.98	-	-	-	1.98	-	-
Software	437.08	36.48	-	0.23	473.79	379.85	49.65	-	0.02	429.52	44.27	57.23
Total (B)	439.06	36.48	-	0.23	475.77	381.83	49.65	-	0.02	431.50	44.27	57.23
Total (A)+(B)	4,145.88	999.88	225.67	0.97	4,921.06	2,191.70	490.70	210.42	0.51	2,472.49	2,448.57	1,954.18

Note:-

1. Capital work in progress includes ₹ 28.76 crores interest on negotiated extended interest bearing suppliers credit and during the period ₹ 17.59 crores have been capitalised by the Company.

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.11 Investments

	As at 30 June	
	2015	2014
Non-current investments – at cost		
In subsidiary companies, trade (unquoted), fully paid up Equity Instruments		
Equity Instruments		
409,670,582 (Previous year 409,670,582) equity shares of USD 1 each in HCL Bermuda Limited, Bermuda	1,829.27	1,829.27
1,280 (Previous year 1,280) equity shares of ₹ 10,000 each, in HCL Comnet Systems & Services Limited	11.22	11.22
949,900 (Previous year 949,900) equity shares of ₹ 10 each, in HCL Comnet Limited	54.94	54.94
HCL Technologies (Shanghai) Limited (Issued & registered capital)	9.95	9.95
1,033,384 (Previous year 1,033,384) equity shares of SGD 1 each, in HCL Singapore Pte. Limited	5.25	5.25
30,000,000 (previous year 30,000,000) equity shares of Pound 1 each fully paid up, in HCL EAS Limited	224.80	224.80
1 (Previous year 1) equity shares of Euro 100 each, in HCL GmbH	0.11	0.11
92,000 (Previous year 92,000) equity shares of ₹ 10 each in HCL Eagle Limited	0.09	0.09
50,000 (Previous year Nil) equity shares of ₹ 10 each in HCL Foundation (refer note 1 below)	-	-
Preference shares		
261,500,000 (Previous year 275,000,000) Preference shares of USD 1 each in HCL Bermuda Limited, Bermuda	1,364.60	1,424.09
Aggregate amount of non- current investments	3,500.23	3,559.72
Current investments		
(Non trade and quoted)		
Investment in bonds and certificate of deposits (refer note 2 (i) below)	-	212.04
(At lower of cost and fair value non trade and unquoted)		
Investment in mutual fund(refer note 2 (ii) below)	624.73	344.25
Aggregate amount of current investments	624.73	556.29

Notes:-

1 Cost of investment is stated ₹ Nil as the same cannot be distributed to the members in the event of liquidation. Actual cost of investment of ₹ 5,00,000 has been charged in the statement of profit & loss in the current financial year.

2 The details of investments in mutual funds/ bonds are provided below:

i) Details of Investments in bonds and certificates of deposit -non trade and quoted

	Face Value	Balance as at 30 June 2015		Balance as at 30 June 2014	
Bonds					
Indian Railway Finance 6% 2015 (Series 68)	100,000	-	-	5,000	50.00
Certificate of deposits					
State Bank of Mysore	100,000	-	-	10,000	98.13
State Bank of Hyderabad	100,000	-	-	6,500	63.91
Total		-			212.04
Market value			-		212.08

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

ii) Details of Investments in mutual funds – non trade and unquoted

	Face Value	Balance as at 30 June 2015		Balance as at 30 June 2014	
		Units	Amount	Units	Amount
Growth Fund					
DSP BlackRock Liquidity Fund-IP	1,000	-	-	442,860	82.66
HDFC Liquid Fund	10	51,918,756	146.06	38,784,913	99.47
ICICI Prudential Institutional Liquid Plan - Super Institutional	100	5,921,353	123.93	1,238,777	23.92
UTI Liquid Fund-Cash Plan	1,000	486,126	112.82	282,876	60.37
TATA Liquid Fund Plan	1,000	442,364	115.59	44,577	10.64
Birla Sunlife - Cash Plus	100	175,498	4.00	-	-
SBI Premier Liquid Fund Super IP	1,000	546,129	122.33	328,604	67.20
Total			624.73		344.26

2.12 Deferred tax assets (net)

	As at 30 June	
	2015	2014
Deferred tax assets:		
Accrued employee costs	108.19	95.24
Unrealized loss on derivative financial instruments	9.71	51.97
Depreciation and amortization	25.61	74.87
Others	86.47	90.70
Gross deferred tax assets (A)	229.98	312.78
Deferred tax liabilities:		
Others	12.10	0.99
Gross deferred tax liabilities (B)	12.10	0.99
Net deferred tax assets (A-B)	217.88	311.79

2.13 Long term loans and advances

	As at 30 June	
	2015	2014
Unsecured, considered good		
Capital advances	113.95	118.98
Capital advances-related parties (refer note 2.28)	-	0.02
Security deposits	136.57	119.20
Others		
MAT credit entitlement	769.68	459.26
Prepaid expenses	29.48	31.90
Finance lease receivables (refer note 2.26 (iii))	41.70	62.22
Loans and advances to employees (including related party, refer not 2.28)	15.01	0.07
	1,106.39	791.65

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.14 Other non-current assets

	As at 30 June	
	2015	2014
Unsecured considered good unless otherwise stated		
Deferred cost	219.83	132.61
Bank deposits more than 12 months (refer note 1 below)	0.01	0.01
Unrealized gain on derivative financial instruments	0.61	-
Others	87.65	45.13
	308.10	177.75

Note:-

1. Pledged with banks as security for guarantees ₹ 0.01crores (Previous year ₹ 0.01 crores)

2.15 Inventories

	As at 30 June	
	2015	2014
Inventories		
Stock in trade [including in transit ₹ 23.19 crores (Previous year ₹ Nil)]	81.77	14.66
Stores and spares	1.88	0.88
	83.65	15.54

2.16 Trade receivables (Unsecured)

	As at 30 June	
	2015	2014
(a) Considered good unless stated otherwise, outstanding for a period exceeding six months from the date they are due for payment		
Unsecured considered good	221.42	-
Unsecured considered doubtful	107.72	151.72
	329.14	151.72
Provision for doubtful receivables	(107.72)	(151.72)
Total (A)	221.42	-
(b) Other receivables		
Unsecured considered good	3,356.86	3,224.19
Unsecured considered doubtful	4.71	25.32
	3,361.57	3,249.51
Provision for doubtful receivables	(4.71)	(25.32)
Total (B)	3,356.86	3,224.19
Total (A)+(B) (refer note 1 below)	3,578.28	3,224.19

Note:-

1. Includes receivables from related parties amounting to ₹ 2,051.68 crores (Previous year ₹ 1,760.03 crores)

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.17 Cash and bank balances

	As at 30 June	
	2015	2014
(a) Cash and cash equivalent		
Balance with banks		
– in current accounts	269.61	131.87
Cheques in hand	50.03	33.00
Remittances in transit	110.10	73.35
Unclaimed dividend account	2.99	2.51
	432.73	240.73
(b) Other bank balances		
Deposits with original maturity of more than 3 months but up to 12 months	8,396.68	7,670.35
	8,829.41	7,911.08

2.18 Short-term loans and advances

	As at 30 June	
	2015	2014
Unsecured, considered good;		
Loans and advances to related parties	56.46	49.07
Others		
Security deposits	34.85	53.22
Inter corporate deposits with HDFC Limited	1,193.00	564.00
Advances to suppliers	13.18	13.20
Prepaid expenses	124.61	98.95
Prepaid expenses - related parties	1.86	-
Loans and advances to employees	41.36	19.76
Finance lease receivables (refer note 2.26 (iii))	21.45	24.95
Payment for investment in mutual fund - units allotted on 01 July, 2014	-	55.00
Service tax receivable	66.06	46.32
Other loans and advances	104.87	59.85
	1,657.70	984.32
Unsecured, considered doubtful		
Loans and advances to employees	42.62	43.73
Loans and advances to others	2.84	3.86
	45.46	47.59
Less: Provision for doubtful advances	(45.46)	(47.59)
	1,657.70	984.32

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.19 Other current assets

	As at 30 June	
	2015	2014
Unbilled revenue	545.29	541.26
Unbilled revenue-related parties (refer note 2.28)	586.91	555.50
Deferred cost	149.98	98.47
Deferred cost-related parties (refer note 2.28)	2.01	5.71
Interest receivable	99.46	113.83
Unrealized gain on derivative financial instruments	16.86	0.33
	1,400.51	1,315.10

2.20 Revenue from operations

	Year ended	
	30 June 2015	30 June 2014
Sale of services	16,838.68	16,015.24
Sale of hardware and software (refer note 2.36)	314.76	482.13
	17,153.44	16,497.37

2.21 Other income

	Year ended	
	30 June 2015	30 June 2014
Interest income		
- On fixed deposits	790.14	528.46
- On investment	2.05	4.70
- Others	3.76	-
Profit on sale of current investments	33.76	50.42
Dividends from subsidiary companies	78.24	24.68
Profit on sale of fixed assets (refer note 1 below)	97.06	47.97
Exchange differences (net)	124.76	-
Employee stock compensation expense written back (net)	15.39	-
Provisions no longer required written back (net)	33.38	-
Miscellaneous income	20.96	2.89
	1,199.50	659.12

Note:-

1. Net of loss on sale of fixed assets ₹. 0.40 crores (Previous year ₹ 0.39 crores)

2.22 Changes in inventories of traded goods

	Year ended	
	30 June 2015	30 June 2014
Opening stock	15.54	80.29
Closing stock	81.77	(15.54)
	(66.23)	64.75

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.23 Employee benefits expense

	Year ended	
	30 June 2015	30 June 2014
Salaries, wages and bonus	5,668.76	4,861.20
Contribution to provident fund and other funds	212.59	193.59
Staff welfare expenses	43.27	38.24
Employee stock compensation expense	-	30.92
	5,924.62	5,123.95

2.24 Finance cost

	Year ended	
	30 June 2015	30 June 2014
Interest		
- on debentures	8.56	44.02
- on loans from banks	7.55	4.48
- on leased assets	0.01	0.32
- others	37.03	23.85
Bank charges	7.49	8.98
	60.64	81.65

2.25 Other expenses

	Year ended	
	30 June 2015	30 June 2014
Rent	211.99	206.87
Power and fuel	218.96	205.15
Insurance	11.07	8.27
Repairs and maintenance		
- Plant and machinery	45.64	55.86
- Buildings	41.60	60.59
- Others	132.50	94.42
Communication costs	113.37	117.96
Books and periodicals	7.10	16.32
Travel and conveyance	796.92	699.70
Business promotion	36.34	30.87
Legal and professional charges (refer note 2.38)	62.16	98.67
Outsourcing costs	1,966.16	1,619.45
Software license fee	172.36	156.92
Printing and stationery	9.56	12.37
Rates and taxes	59.45	72.24
Provision for doubtful advances / advances written off	9.30	0.14
Donations	-	1.25
CSR expenditure (refer note 2.35)	6.22	-
Recruitment, training and development	96.89	76.49
Provision for doubtful debts/ bad debts written off	-	53.13
Exchange differences (net)	-	11.79
Miscellaneous expenses	74.10	53.95
	4,071.69	3,652.41

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.26 Leases
i) Finance leases : in case of assets taken on lease

The Company has acquired vehicles on finance leases. Total minimum lease payments and the maturity profile of finance leases at the balance sheet date, the element of interest included in such payments, and the present value of the minimum lease payments are as follows:

	Total minimum lease payments outstanding as on 30 June 2015	Interest included in minimum lease payments	Present value of minimum lease payments
Not later than one year	- (0.34)	- (0.01)	- (0.33)
Later than one year and not later than 5 years	- (-)	- (-)	- (-)
	-	-	-
	(0.34)	(0.01)	(0.33)

Previous year figures are in brackets.

ii) Operating leases

The Company leases office space and accommodation for its employees under operating lease agreements. The lease rental expense recognized in the statement of profit and loss for the year is ₹ 211.99 crores (Previous year ₹ 206.87 crores). The lease equalization reserve amount for non-cancellable operating lease payable in future years and accounted for by the Company is ₹ 115.20 crores (previous year ₹ 102.92 crores). Future minimum lease payments and the payment profile of non-cancellable operating leases are as follows:

	Year ended 30 June	
	2015	2014
Not later than one year	184.75	158.84
Later than one year but not later than five years	592.35	505.91
Later than five years	578.94	604.38
	1,356.04	1,269.13

iii) Finance leases : in case of assets given on lease

The Company has given networking equipments to its customers on finance lease basis. The future lease receivables in respect of assets given on finance lease are as follows:

	Total minimum lease payments outstanding as on 30 June 2015	Interest included in minimum lease payments receivable	Present value of minimum lease payments receivable
Not later than one year	28.71 (29.65)	7.23 (4.71)	21.48 (24.94)
Later than one year and not later than 5 years	42.92 (73.97)	1.25 (11.74)	41.67 (62.23)
	71.63	8.48	63.15
	(103.62)	(16.45)	(87.17)

Previous year figures are in brackets.

2.27 Segment Reporting
Identification of segments

The Company's operating businesses are organized and managed according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services.

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

(i) Business segments

The operations of the Company predominately relate to providing a range of IT and Business Process Outsourcing (BPO) services targeted at Global 2000 companies spread across USA, Europe and the Rest of the World. IT Services include software services and IT infrastructure management services. Within software services, the Company provides application development and maintenance, enterprise application, next generation SAAS (Software As A Service) application services and engineering and research and development services to several global customers. IT Infrastructure management services involve managing customers' IT assets effectively. The Company's 'Enterprise of the Future' (EOF) framework helps customers not just run IT effectively but also migrate to next generation IT. EOF involves services around cloud, next generation data centres, business productivity services, integrated service management layer and an integrated application development & operations services. Business process outsourcing services include the traditional contact centre and help desk services and next generation services around platform BPO and BPAAS (Business Process As A Service) delivered through a strong global delivery model. The Company's trademarked EFAAS (Enterprise Function As A Service) helps customers reduce business cost rather than just the process cost as was the case in traditional BPO.

The Chairman of the Company, who is the Chief Strategy Officer, evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by types of services provided by the Company and geographic segmentation of customers.

Accordingly, revenue from service segments comprises the primary basis of segmental information set out in these financial statements. Secondary segmental reporting is performed on the basis of the geographical location of customers and assets.

(ii) Geographic segments

Segment revenue from customers by geographical areas is stated based on the geographical location of the customer and segment assets by the geographical location of the assets.

The principal geographical segments are classified as America, Europe, India and Others. Europe comprises business operations conducted by the Company in the United Kingdom, Sweden, Germany, Italy, Belgium, Netherlands, Northern Ireland, Finland, Poland and Switzerland. Since services provided by the Company within these European entities are subject to similar risks and returns, their operating results have been reported as one segment, namely Europe. India has been identified as a separate segment. All other customers, mainly in Japan, Australia, New Zealand, Singapore, Malaysia, Israel, South Korea, China, Czech Republic, Macau, UAE, Portugal, Russia and Hong Kong are included in Others.

(iii) Segment accounting policies

The accounting principles consistently used in the preparation of the financial statements and consistently applied to record revenue and expenditure in individual segments are as set out in note 1 to the financial statements on significant accounting policies. The accounting policies in relation to segment accounting are as under:

a) Segment revenue and expenses

Segment revenue is directly attributable to the segment and segment expenses have been allocated to various segments on the basis of specific identification. However, segment revenue does not include other income. Segment expenses do not include, premium amortized on bonds, diminution allowance in respect of current and trade investments, other than temporary diminution in the value of long term investments, and finance cost.

b) Segment assets and liabilities

Assets and liabilities are not identified to any reportable segments, since these are increasingly used interchangeably across segments and consequently, the management believes that it is not practicable or meaningful to provide segment disclosures relating to total assets and liabilities.

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Financial information about the business segments for the year ended 30 June 2015 is as follows:

	Software services	Business process outsourcing services	IT Infrastructure services	Total
Segment Revenues	10,456.80	1,003.55	5,693.09	17,153.44
Segment results	4,122.55	144.68	2,311.73	6,578.96
Unallocated corporate expenses				(19.28)
Finance cost				(60.64)
Other income				403.55
Interest income				795.95
Net profit before taxes				7,698.54
Tax expense				1,352.59
Profit for the year				6,345.95
Significant non-cash adjustments				
Depreciation	192.38	25.80	78.72	296.90
Unallocated corporate depreciation				3.02
Total				299.92
Provision for doubtful debts & advances / Bad debts & advances written off				(24.08)

Financial information about the business segments for the year ended 30 June 2014 is as follows:

	Software services	Business process outsourcing services	IT Infrastructure services	Total
Segment Revenues	10,142.92	876.35	5,478.10	16,497.37
Segment results	4,438.77	203.58	2,224.26	6,866.61
Unallocated corporate expenses				(46.42)
Finance cost				(81.65)
Other income				125.96
Interest income				533.16
Net profit before taxes				7,397.66
Tax Expense				1,413.04
Profit for the year				5,984.62
Significant non-cash adjustments				
Depreciation	315.32	35.41	136.60	487.33
Unallocated corporate depreciation				3.37
Total				490.70
Provision for doubtful debts & advances / Bad debts & advances written off				53.27

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Segment revenue from customers by geographic area based on location of the customers is as follows:

	Year ended 30 June 2015	Year ended 30 June 2014
America	9,437.26	9,098.85
Europe	5,007.72	4,902.77
India	939.85	935.79
Others	1,768.61	1,559.96
	17,153.44	16,497.37

Carrying value of segment assets by geographic area based on geographic location of assets is as follows:

	Carrying amount of segment assets	
	30 June 2015	30 June 2014
America	1,983.49	1,530.65
Europe	1,704.86	975.32
India	20,579.45	18,823.14
Others	647.26	485.39
	24,915.06	21,814.50

Total cost incurred during the period to acquire segment fixed assets (tangible and intangible) by geographical location of the assets is as follows:

	Additions to segment fixed assets	
	30 June 2015	30 June 2014
America	-	-
Europe	2.62	10.15
India	1,056.67	594.81
Others	-	0.10
	1,059.29	605.06

2.28 Related party transactions
(a) Related parties where control exists
Direct subsidiaries

HCL Comnet Limited
 HCL Comnet Systems & Services Limited
 HCL Singapore Pte. Limited
 HCL Bermuda Limited
 HCL Technologies (Shanghai) Limited
 HCL Eagle Limited
 HCL Foundation !

Step down subsidiaries

HCL Japan Limited
 HCL Australia Services Pty. Limited
 HCL (New Zealand) Limited
 HCL Hong Kong SAR Limited
 Axon Solutions Pty. Limited

HCL Investment (UK) Limited
 HCL America Solutions Inc.
 HCL Technologies Austria GmbH
 Axon Solutions (Shanghai) Co. Limited
 Bywater Limited*

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Step down subsidiaries (Contd...)

HCL Axon (Pty) Limited	HCL Axon Technologies Inc.
HCL Technologies Philippines Inc.	Axon Solutions Inc.
HCL Technologies South Africa (Proprietary) Limited	HCL Argentina s.a.
HCL Technologies Solutions Limited.	PT. HCL Technologies Indonesia Limited
HCL Belgium NV	HCL Poland sp. z o.o
HCL Italy SLR	HCL GmbH
HCL Technologies Romania s.r.l.	HCL (Malaysia) Sdn. Bhd.
HCL Hungary Kft	Axon Solutions Singapore Pte. Limited
HCL Sweden AB	HCL Axon Malaysia Sdn. Bhd.
Filial Espanola De HCL Technologies S.L.	HCL Mexico S. de R.L.
HCL Great Britain Limited	HCL Technologies Chile Spa
HCL (Netherlands) BV	HCL Technologies UK Limited
HCL Technologies Solutions GmbH	HCL Technologies B.V
HCL EAS Limited	HCL Technologies Germany GmbH
Axon Group Limited	HCL Technologies Belgium N.V.
Axon Solutions Limited	HCL Technologies Sweden AB
HCL BPO Services (NI) Limited	HCL Technologies Finland Oy
HCL Insurance BPO Services Limited	HCL (Ireland) Information Systems Limited
HCL Technologies Norway AS	HCL Technologies Italy SPA #
HCL Technologies Denmark Apps	HCL Technologies Colombia SAS ##
HCL Expense Management Services Inc.	HCL Technologies Middle East FZ- LLC%
HCL America Inc.	HCL Istanbul Bilisim Teknolojileri Limited Sirketi%%
HCL Latin America Holding LLC	HCL Technologies Greece Single Member P.C.%%
HCL (Brazil) Technologia da informacao Ltda.	HCL Technologies S.A.%%%
HCL Global Processing Services Limited	HCL Technologies Beijing Co., Ltd^
HCL Arabia LLC	HCL Technologies Luxembourg S.a.r.l.^ ^
Anzospan Investments (PTY) Limited	HCL-Ten Ventures LLC^ ^ ^
HCL Technologies France	HCL Technologies Egypt Ltd \$
HCL Technologies (Thailand) Limited\$\$\$	HCL Technologies Estonia OU \$\$

*! incorporated on 30 December 2014**# incorporated on 30 July 2014**## incorporated on 06 August 2014**% incorporated on 19 August 2014**%% incorporated on 30 September 2014**%%% incorporated on 20 November 2014*** Dissolved on 13 January 2015**^ incorporated on 06 February 2015**^^ incorporated on 12 February 2015**^^^ incorporated on 09 March 2015**\$ incorporated on 22 March 2015**\$\$ incorporated on 08 June 2015**\$\$\$ incorporated on 10 June 2015***Employee benefit trusts**

HCL Technologies Limited Employees Trust
 Axon Group Plc Employee Benefit Trust No. 3
 Axon Group Plc Employee Benefit Trust No. 4
 HCL South Africa Share Ownership Trust

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

b) Related parties with whom transactions have taken place during the year**Direct subsidiaries**

HCL Comnet Systems and Services Limited

HCL Comnet Limited

HCL Technologies (Shanghai) Limited

HCL Eagle Limited

HCL Singapore Pte. Limited, Singapore

HCL Bermuda Limited

Step down subsidiaries

HCL (Brazil) Tecnologia da informacao Ltda.

Axon Solutions Limited

HCL Technologies Chile SpA

Axon Solutions Inc

HCL Axon Technologies Inc.

Axon Solutions (Shanghai) Co., Ltd.

HCL AXON Malaysia Sdn. Bhd.

HCL Argentina s.a

HCL Mexico S. de R.L.

HCL Technologies Romania s.r.l.

HCL Technologies UK Limited

HCL Technologies Italy S.p.A.

HCL (Ireland) Information Systems Limited

HCL Technologies Belgium N.V.

HCL Technologies Germany GmbH

HCL Technologies Sweden AB

HCL Technologies Finland Oy

HCL Australia Services Pty. Limited

HCL (New Zealand) Limited

HCL Arabia LLC

HCL Hong Kong SAR Limited

HCL Japan Limited

HCL America Solutions Inc.

Significant influence

HCL Infosystems Limited.

HCL Infotech Limited

HCL Technologies Philippines Inc

Filiial Espanola De HCL Technologies S.L..

HCL Technologies France

HCL Technologies Austria GmbH

HCL Poland Sp.z.o.o.

HCL Technologies Denmark AppS

HCL Technologies Norway AS

HCL America Inc.

HCL Great Britain Limited

HCL Sweden AB

HCL(Netherlands) B.V.

HCL GmbH

HCL Italy SLR

HCL Belgium NV

HCL Axon (Pty) Limited

Axon Solutions (Pty) Limited

HCL Hungry Kft

HCL Istanbul Bilisim Teknolojileri Limited Sirketi

HCL Technologies Greece Single Member P.C.

HCL Technologies Middle East FZ- LLC

PT. HCL Technologies Indonesia Limited

HCL Technologies South Africa (Proprietary) Limited

HCL Technologies Solution Limited

Vama Sundari Investments (Chennai) Private Limited

HCL Talent Care Pvt. Ltd.(formerly known as Slocum Management Consultancy Private Limited)

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Shiv Nadar Foundation	Naksha Enterprises Private Limited
State Street HCL Services (Phillipines) INC.	Redington (India) Limited*
Statestreet HCL Services (India) Private Limited	Cadensworth (India) Limited, India*
Digilife Distribution and Marketing Services Ltd.	Ensure Support Services (India) Limited*
HCL Insys Pte Ltd., Singapore	Redington Distribution Pte Ltd, Singapore*
HCL Corporation Private Limited	Easy Access Financial Services Limited *
HCL Learning Limited	Indian school of business#
HCL Services Limited	Vama Sundari Investments (Delhi) Private Limited
SSN Investments (Pondi) Private Limited	HCL Holding Private Limited
SSN Trust	

*Ceased to be related party w.e.f. 10 November 2014.

#Ceased to be related party w.e.f. 30 August 2014.

c) Key Management Personnel

Mr. Shiv Nadar	Chairman and Chief Strategy Officer
Mr. Anant Gupta	Chief Executive Officer
Mr. Anil Chanana	Chief Financial Officer
Mr. Manish Anand	Company Secretary

d) Directors

Ms. Roshni Nadar Malhotra	Non-Executive & Non-Independent Director
Mr. Sudhinder Krishan Khanna	Non-Executive & Non-Independent Director
Ms. Robin Ann Abrams	Non-Executive & Independent Director
Mr. Amal Ganguli	Non-Executive & Independent Director
Mr. Ramanathan Srinivasan	Non-Executive & Independent Director
Dr. Sosale Shankara Sastry	Non-Executive & Independent Director
Mr. Srikant Madhav Datar*	Non-Executive & Independent Director
Mr. Subramanian Madhavan	Non-Executive & Independent Director
Mr. Keki Mistry	Non-Executive & Independent Director

*Ceased to be Director w.e.f. 04 December 2014

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

d) Transactions with related parties during the year

	Revenues		Other expenses#		Corporate guarantee fees		Other Income (Gain on sale of building)		Dividend Paid	
	Year ended 30 June		Year ended 30 June		Year ended 30 June		Year ended 30 June		Year ended 30 June	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Subsidiaries										
- HCL America Inc.	5,959.14	6,293.01	692.42	593.69	2.92	7.50	-	-	-	-
- HCL Great Britain Limited	975.63	1,184.44	249.42	197.50	0.15	0.42	-	-	-	-
- HCL Australia Services Pty. Limited	441.32	478.56	7.61	25.62	0.01	0.05	-	-	-	-
- HCL Comnet Limited	-	0.26	43.10	46.00	-	-	-	-	-	-
- HCL Sweden AB	351.26	289.75	28.28	22.00	-	-	-	-	-	-
- HCL Technologies UK Limited	247.33	3.91	3.30	-	-	-	-	-	-	-
- HCL Insurance BPO Services Limited	-	-	-	-	-	(15.41)	-	-	-	-
- Axon Solution Limited	65.56	66.22	125.06	44.49	-	-	-	-	-	-
- Others	1,589.24	1,250.26	339.74	243.88	0.89	2.52	-	-	-	-
Total (A)	9,629.48	9,566.41	1,488.93	1,173.18	3.97	(4.93)	-	-	-	-
Jointly controlled entities										
- Statestreet HCL Services (India) Pvt. Ltd.	14.80	8.74	-	-	-	-	-	-	-	-
- Others	4.28	-	-	-	-	-	-	-	-	-
Total (B)	19.08	8.74	-	-	-	-	-	-	-	-
Significant influence										
- HCL Infosystems Limited	9.72	36.66	14.16	84.86	-	-	-	-	-	-
- Digilife Distribution and Marketing Services Limited	-	-	0.18	8.00	-	-	-	-	-	-
- HCL Infotech Limited	131.68	104.83	0.04	0.12	-	-	-	-	-	-
- Vama Sundari investments(Delhi) Pvt. Ltd.	-	-	-	-	-	-	-	-	1,020.16	304.95
- HCL Services Limited	-	-	12.84	4.59	-	-	-	-	-	-
- HCL Holding Private Limited	-	-	-	-	-	-	-	-	406.47	119.55
- Vama Sundari investments(Pondi) Pvt. Ltd.	-	-	-	-	-	-	-	46.66	-	-
- SSN Investment(Pondi) Private Limited.	-	-	-	-	-	-	-	94.61	-	-
- Shiv Nadar Foundation	-	-	-	-	-	-	-	-	14.56	4.48
- HCL Talent Care Private Limited	-	1.10	14.59	-	-	-	-	-	-	-
- Others	1.17	-	12.64	0.32	-	-	-	-	-	-
Total (C)	142.57	142.59	54.45	97.89	-	-	-	94.61	46.66	428.98
Total (A+B+C)	9,791.13	9,717.74	1,543.38	1,271.07	3.97	(4.93)	-	94.61	46.66	428.98

#other expenses include outsourcing cost, rent expense and software license fees.

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

d) Transactions with related parties during the year (continued)

	Repayment of loans given to subsidiaries		Repayment of loans taken from subsidiaries		Investments		Payment for use of facilities		Receipt for use of facilities		Dividend income		Purchase of capital equipments	
	Year ended 30 June		Year ended 30 June		Year ended 30 June		Year ended 30 June		Year ended 30 June		Year ended 30 June		Year ended 30 June	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Subsidiaries														
- HCL Comnet Limited	-	414.00	-	82.00	-	-	0.22	1.20	0.06	0.33	-	-	-	0.08
- HCL Eagle Limited	-	-	-	-	-	-	-	-	3.06	2.97	-	-	-	-
- HCL Bermuda Limited	-	-	-	(59.49)	-	-	-	-	-	-	-	-	-	-
- HCL Singapore Pte Limited	-	-	-	-	-	-	-	-	-	-	78.24	24.68	-	-
Total (A)	-	414.00	-	82.00	-	(59.49)	0.22	1.20	3.12	3.30	78.24	24.68	-	0.08
Significant influence														
- HCL Infosystems Limited	-	-	-	-	-	-	3.31	1.64	-	-	-	-	3.07	27.11
- SSN Investment (Pond) Private Ltd.	-	-	-	-	-	-	10.72	-	-	-	-	-	-	-
- Easy Access Financial Services Ltd.	-	-	-	-	-	-	1.64	-	-	-	-	-	-	-
- Redington Distribution Pte. Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	18.31	-
- HCL Insys Pte Limited	-	-	-	-	-	-	-	-	-	-	-	-	0.43	9.52
- Others	-	-	-	-	-	-	1.37	0.79	-	-	-	-	2.52	0.47
Total (B)	-	-	-	-	-	-	17.04	2.43	-	-	-	-	24.33	37.10
Total (A+B)	-	414.00	-	82.00	-	(59.49)	17.26	3.63	3.12	3.30	78.24	24.68	24.33	37.18

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Transactions with Key Managerial personnel during the year

	Year ended 30 June	
	2015	2014
Chairman and Chief Strategy Officer		
i) Remuneration	12.15	12.07
Vice - Chairman and Joint Managing Director (Upto 31 July 2013)		
i) Remuneration	-	1.47
Chief Executive Officer		
i) Remuneration	28.66	4.22
ii) Loan provided	15.00	-
iii) Loan outstanding at the end of the year	15.00	-
iv) Interest received by the Company on loan provided	0.72	-
v) Dividend paid	0.24	0.10
vi) Stock options		
- Exercised – No's (options)	-	6,400
- Exercise price – ₹	-	8
Chief Financial Officer		
i) Remuneration	8.14	3.05
ii) Dividend paid	0.21	0.09
iii) Stock options		
- Exercised - No's (options)	3,360	1,120
- Exercise price - ₹	8	8
Company Secretary		
i) Remuneration	0.54	0.48
ii) Dividend paid	0.01	-
iii) Stock options		
- Exercised - No's (options)	960	-
- Exercise price - ₹	8	-

In addition to above Chairman and Chief strategy officer and Chief Financial Officer also receive remuneration from subsidiaries:

	Year ended 30 June	
	2015	2014
Chairman and Chief Strategy Officer		
i) Remuneration	4.48	4.71
Chief Financial Officer		
i) Remuneration	1.58	1.36

Transactions with Directors during the year

	Year ended 30 June	
	2015	2014
Commission & other benefits to Directors*	6.62	3.57

*Includes sitting fees

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

e) Outstanding balances with related parties

	Trade receivables		Trade payables		Income received in advance		Capital accounts payables (includes supplier credit)	
	As at 30 June		As at 30 June		As at 30 June		As at 30 June	
	2015	2014	2015	2014	2015	2014	2015	2014
Subsidiaries								
- HCL America Inc	851.76	1,036.83	126.42	160.06	137.55	166.57	-	-
- HCL Great Britain Limited	143.78	257.45	51.53	19.85	51.42	80.51	-	-
- HCL Singapore Pte. Limited	22.58	22.67	11.23	3.76	1.17	6.13	-	-
- HCL Australia Services Pty. Limited	77.62	33.18	0.37	7.11	2.86	4.36	-	-
- HCL Sweden AB	65.75	54.08	5.55	2.65	15.32	18.98	-	-
- HCL Technologies France	157.17	12.48	2.91	1.87	-	-	-	-
- HCL Bermuda Limited	-	-	-	-	-	-	-	-
- Others	579.41	248.34	88.86	79.62	29.17	39.52	-	-
Total (A)	1,898.07	1,665.03	286.87	274.92	237.49	316.07	-	-
Jointly controlled entities								
- Statestreet HCL Services (India) Pvt. Ltd.	2.34	0.78	-	0.08	-	-	-	-
Total (B)	2.34	0.78	-	0.08	-	-	-	-
Significant influence								
- HCL Infosystems Limited	3.59	22.36	0.27	0.01	1.60	1.75	6.62	29.21
- HCL Infotech Limited	146.94	71.86	0.34	-	17.88	12.30	0.21	-
- Others	0.74	-	0.16	-	0.09	-	0.04	3.04
Total (C)	151.27	94.22	0.77	0.01	19.57	14.05	6.87	32.25
Total (A+B+C)	2,051.68	1,760.03	287.64	275.01	257.06	330.12	6.87	32.25

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

e) Outstanding balances with related parties- Continued

	Guarantee outstanding (refer note 2.30 (b))		Liabilities for expense		Long term income received in advance		Capital advances		Supplier credit	
	As at 30 June		As at 30 June		As at 30 June		As at 30 June		As at 30 June	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Subsidiaries										
- HCL America Inc.	180.78	989.48	235.13	109.99	47.55	86.65	-	-	-	-
- HCL Great Britain Limited	-	55.07	63.97	57.80	34.17	57.59	-	-	-	-
- HCL Comnet Limited	-	-	8.09	6.34	-	-	-	-	-	-
- HCL Bermuda Limited	100.05	102.62	-	-	-	-	-	-	-	-
- HCL Japan Limited	-	18.06	1.08	0.87	-	-	-	-	-	-
- HCL Insurance BPO Services Limited	420.21	430.99	-	-	-	-	-	-	-	-
- HCL Singapore Pte Limited	29.28	178.15	8.63	2.68	-	1.29	-	-	-	-
- Axon Solution Limited	-	-	92.02	-	-	-	-	-	-	-
- Others	-	6.02	78.63	42.05	11.66	33.08	-	-	-	-
Total (A)	730.32	1,780.39	487.55	219.73	93.38	178.61	-	-	-	-
Significant influence										
- HCL Infosystems Limited	-	-	0.56	7.00	-	-	-	0.02	5.71	3.94
- Digilife Distribution and Marketing Services Limited	-	-	-	-	-	-	-	-	0.86	6.59
- HCL Talent Care Private Limited	-	-	4.59	-	-	-	-	-	-	-
- Others	-	-	1.24	0.98	-	-	-	-	2.97	-
Total (B)	-	-	6.39	7.98	-	-	-	0.02	9.54	10.53
Total (A+B)	730.32	1780.39	493.94	227.71	93.38	178.61	-	0.02	9.54	10.53

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

e) Outstanding balances with related parties- Continued

	Loan and advances		Unbilled revenue		Deferred cost		Advance against sale of building		Advance received from customer	
	As at 30 June		As at 30 June		As at 30 June		As at 30 June		As at 30 June	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Subsidiaries										
- HCL America Inc.	15.60	11.88	334.71	350.20	-	-	-	-	-	-
- HCL Great Britain Limited	4.42	11.13	75.56	119.13	-	-	-	-	-	-
- HCL Comnet Limited	2.28	0.59	4.78	4.51	2.01	5.71	-	-	-	-
- HCL Australia Services Pty. Limited	0.82	0.87	18.59	18.83	-	-	-	-	-	-
- HCL Gmbh	10.17	7.31	0.88	1.02	-	-	-	-	-	-
- HCL Technologies UK Limited	-	-	46.40	0.49	-	-	-	-	-	-
- Others	21.45	10.99	89.70	48.81	-	-	-	-	-	-
Total (A)	54.74	42.77	570.62	542.99	2.01	5.71	-	-	-	-
Jointly controlled entities										
- Statesireet HCL Services (India) Pvt.Ltd.	0.42	0.06	2.51	2.59	-	-	-	-	-	-
- Others	0.05	-	4.28	-	-	-	-	-	-	-
Total (B)	0.47	0.06	6.79	2.59	-	-	-	-	-	-
Significant influence										
- HCL Infosystems Limited	0.95	6.10	9.06	9.92	-	-	-	-	2.41	-
- SSN Investment(Pondi) Private Limited	1.38	-	-	-	-	-	-	108.00	-	-
- Others	0.78	0.14	0.44	-	-	-	-	-	-	-
Total (C)	3.11	6.24	9.50	9.92	-	-	-	108.00	2.41	-
Total (A+B+C)	58.32	49.07	586.91	555.50	2.01	5.71	-	108.00	2.41	-

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.29 Research and development expenditure

	Year ended 30 June 2015	Year ended 30 June 2014
Revenue	181.77	152.73
Capital	–	–
	181.77	152.73

2.30 Commitments and Contingent liabilities

a)

	As at 30 June 2015	As at 30 June 2014
i) Capital and other commitments		
Capital commitments		
Estimated amount of unexecuted capital contracts (net of advances)	491.29	743.03
	491.29	743.03
ii) Contingent Liabilities		
Others	0.63	1.42
Total	0.63	1.42

The amounts shown in the item above represent best estimates arrived at on the basis of available information. The possible outflows on account of contingent liabilities are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore, cannot be predicted accurately. The Company engages reputed professional advisors to protect its interest and has been advised that it has strong legal positions against such disputes.

- b) Guarantees have been given by the Company on behalf of various subsidiaries against credit facilities, financial assistance and office premises taken on lease amounting to ₹ 730.32 crores (Previous year ₹ 1,780.39 crores). These guarantees have been given in the normal course of the Company's operations and are not expected to result in any loss to the Company, on the basis of the beneficiaries fulfilling their ordinary commercial obligations.
- c) The Company has a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company appoints independent consultants annually for conducting transfer pricing studies to determine whether transactions with associated enterprises undertaken during the financial year, are on an "arms length basis". Adjustments, if any, arising from the transfer pricing studies in the respective jurisdictions will be accounted for when the study is completed for the current financial year. The management is of the opinion that its international transactions are at arms' length so that the outcome of the studies to corroborate compliance with legislation will not have any material adverse impact on the financial statements.

2.31 Derivative Financial Instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets / liabilities and forecast cash flows denominated in foreign currency. The use of derivatives to hedge foreign currency forecast cash flows is governed by the Company's strategy, which provides principles on the use of such forward contracts and currency options consistent with the Company's Risk Management Policy. The counter parties in these derivative instruments are banks and the Company considers the risks of non-performance by the counterparty as insignificant. A majority of the forward foreign exchange/option contracts mature within one to twelve months and the forecast transactions are expected to occur during the same period. The Company does not use forward contracts and currency options for speculative purposes.

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding: -

Sell Covers	As at 30 June 2015	As at 30 June 2014
Foreign Currency	₹ Equivalent	
USD/INR	3,173.97	3,803.23
GBP/INR	10.00	123.15
EURO/INR	88.97	300.07
EURO/USD	101.40	84.18
AUD/USD	62.47	67.87
CHF/USD	75.55	47.35
SEK/USD	42.77	5.93
GBP/USD	110.05	-
ZAR/USD	55.65	-
JPY/USD	15.60	-
NOK/USD	93.85	-
RUB/USD	21.18	-
CHF/INR	6.84	-
SEK/INR	11.60	-
	3,869.90	4,431.78

Options	As at 30 June 2015	As at 30 June 2014
	₹ Equivalent	
Range Forward		
USD/INR	3,336.72	1,508.75
GBP/INR	543.77	302.75
Euro/INR	663.65	313.22
AUD/INR	67.51	16.97
Seagull		
USD/INR	182.04	-
Euro/INR	30.61	-
Total	4,824.30	2,141.69

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

The following table summarizes the activity in the hedging reserve related to all derivatives classified as cash flow hedges during the years ended 30 June 2015 and 2014.

	Year ended 30 June 2015	Year ended 30 June 2014
(Loss)/Gain as at the beginning of the year	(261.33)	(631.27)
Unrealized gain/(loss) on cash flow hedging derivatives during the year	121.67	(174.63)
Net losses reclassified into net income on occurrence of hedged transactions	89.27	544.57
Net losses reclassified into net income as hedged transactions are not likely to occur	-	-
Loss as at the end of the year (refer note 1 below)	(50.39)	(261.33)
Deferred tax	9.71	51.05
Hedging reserve account (net of deferred tax)	(40.68)	(210.28)

Notes:

- 1 As of the balance sheet date, the Company's net foreign currency exposure that is not hedged is ₹ Nil (Previous year ₹ 942.96 crores).
- 2 At 30 June 2015, the estimated net amount of existing loss that is expected to be reclassified into the income statement within the next twelve months is ₹ 12.88 crores (Previous year loss of ₹ 132.89 crores).

2.32 Earnings per equity share (EPS)

	Year ended	
	30 June 2015	30 June 2014
Net profit as per statement of profit and loss for computation of EPS	6,345.95	5,984.62
Weighted average number of shares outstanding in computation of basic EPS*	1,404,808,456	1,397,233,894
Dilutive effect of stock options outstanding*	8,142,875	18,994,532
Weighted average number of equity shares outstanding in computing diluted EPS*	1,412,951,331	1,416,228,426
Nominal value of equity shares (in ₹)	2	2
Earnings per equity share (in ₹)		
- Basic	45.17	42.83
- Diluted	44.91	42.26

*Adjusted for bonus issue, refer note 2.1

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.33 Micro and Small Enterprises

As per information available with the management, the dues payable to enterprises covered under "The Micro, Small and Medium Enterprises Development Act, 2006" are as follows:

	For the year ended 30 June 2015		For the year ended 30 June 2014	
	Principal	Interest	Principal	Interest
Amount due to Vendor	0.64	0.04	0.03	0.00
Principal amount paid beyond the appointed date		-		-
Interest under normal credit terms –				
Accrued and unpaid during the year		-		-
Total Interest payable –				
Accrued and unpaid during the year		0.04		0.01

This has been determined on the basis of responses received from vendors on specific confirmation sought by the Company.

2.34 Employee Benefit Plans

The Company has calculated the various benefits provided to employees as shown below

A. Defined Contribution Plans and State Plans

Superannuation Fund

Employer's contribution to Employees State Insurance

Employer's contribution to Employee Pension Scheme

During the year the Company has recognized the following amounts in the statement of profit and loss:-

	Year ended 30 June 2015	Year ended 30 June 2014
Superannuation Fund	1.78	2.02
Employer's contribution to Employees State Insurance	3.30	3.20
Employer's contribution to Employee's Pension Scheme	72.63	40.98
Total	77.71	46.20

B. Defined Benefit Plans

a) Gratuity

b) Employer's Contribution to Provident Fund

Gratuity

The Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure of 15 days base salary (last drawn salary) for each completed year of service subject to maximum of ₹ 10 Lacs per employee.

The following table sets out the status of the gratuity plan:

Statement of profit and loss

Net employee benefit expense (recognized in employee cost)

	Year ended 30 June 2015	Year ended 30 June 2014
Current service cost	45.80	43.38
Interest cost on benefit obligation	20.34	15.97
Net actuarial gain recognized in the year	(7.41)	(25.67)
Past service cost	-	-
Net benefit expense	58.73	33.68

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Balance Sheet

Details of provision for gratuity

	Year ended 30 June 2015	Year ended 30 June 2014
Defined benefit obligations	245.36	207.94
Fair value of plan assets	-	-
	245.36	207.94
Less: Unrecognized past service cost	-	-
Plan liability	245.36	207.94

Changes in present value of the defined benefit obligation are as follows:

	Year ended 30 June 2015	Year ended 30 June 2014
Opening defined benefit obligations	207.94	188.38
Current service cost	45.80	43.38
Interest cost	20.34	15.97
Actuarial gain on obligation	(7.41)	(25.67)
Benefits paid	(21.31)	(14.12)
Closing defined benefit obligations	245.36	207.94

	Year ended 30 June 2015	Year ended 30 June 2014
Discount rate	8.05%	8.80%
Estimated Rate of salary increases	7%	7%
Employee Turnover	23%	21%
Expected rate of return on assets	N.A.	N.A.

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The following table sets out the experience adjustment to plan liabilities as required under AS-15 (Revised):

	Year ended 30 June				
	2015	2014	2013	2012	2011
Defined benefit obligations	245.36	207.94	188.38	140.65	100.58
Experience adjustment to plan liabilities	(17.05)	(8.78)	(1.19)	7.69	6.75

Employer's contribution to provident fund

The actuary has provided a valuation and based on the assumption mentioned below, there is no shortfall as at 30 June, 2015 and 30 June, 2014.

The details of the fund and plan asset position are given below:

	30 June 2015	30 June 2014
Plan assets at the year end	1,845.71	1,487.05
Present value of benefit obligation at year end	1,845.71	1,487.05
Asset recognized in balance sheet	-	-

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach.

	30 June 2015	30 June 2014
Government of India(GOI) bond yield	9.44%	9.49%
Remaining term of maturity	7.83 Years	9.40 Years
Expected guaranteed interest rate	8.75%	8.75%

During the year ended 30 June 2015, the Company has contributed ₹ 83.80 crores (Previous year ₹ 92.79 crores) towards employer's contribution to the provident fund.

2.35 Corporate social responsibility

As required by the Companies Act, 2013, the gross amount required to be spent by the Company on CSR activities is ₹ 89.99 crores and the amount spent during the year is ₹ 6.22 crores.

2.36 Particulars of purchases, sales and closing stock of trading goods:

ITEMS	Opening Stock	Purchases	Sales	Closing Stock
	Value (₹)	Value (₹)	Value (₹)	Value (₹)
Software Licenses	2.33	38.49	42.03	5.56
	(21.98)	(28.94)	(54.52)	(2.33)
Servers	4.04	137.43	136.40	2.99
	(3.73)	(190.47)	(220.34)	(4.04)
Storage devices	0.07	39.37	31.63	2.27
	(0.70)	(38.23)	(49.55)	(0.07)
Routers	0.13	25.41	21.09	0.08
	(1.60)	(3.78)	(10.03)	(0.13)
Switches	0.15	25.17	25.39	0.72
	(2.59)	(6.75)	(18.07)	(0.15)
Others*	8.82	97.89	58.22	70.15
	(49.69)	(77.20)	(129.62)	(8.82)
Total	15.54	363.76	314.76	81.77
	(80.29)	(345.37)	(482.13)	(15.54)

* Does not include any item which in value individually accounts for 10% or more of the total value of sales/ stock

Notes: previous year figures are given in brackets.

2.37 CIF value of imports

	Year ended 30 June 2015	Year ended 30 June 2014
Capital goods	142.75	138.25
Others	58.28	28.86
	201.03	167.11

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.38 Auditors' remuneration *

	Year ended 30 June 2015	Year ended 30 June 2014
A. As Auditors		
Statutory audit	2.66	2.42
Tax audit fees	0.30	0.28
Out of pocket expenses	0.20	0.20
B. For Certification	0.24	0.39
	3.40	3.29

* excluding service tax

2.39 Expenditure in foreign currency (on accrual basis)

	Year ended 30 June 2015	Year ended 30 June 2014
Outsourcing costs	1,219.15	1,072.21
Travel	206.64	194.53
Rates and taxes	1.71	3.16
Software license fee	32.98	59.29
Communication costs	16.70	19.15
Professional fees	0.63	23.94
Recruitment training and development	8.22	6.60
Repair and maintenance	9.10	6.58
Dues & subscription	-	11.35
Others	40.63	22.59
	1,535.76	1,419.40

2.40 Earnings in foreign currency (on accrual basis)

	Year ended 30 June 2015	Year ended 30 June 2014
Income from services	14,684.51	14,239.77
	14,684.51	14,239.77

Notes to financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.41 Dividend remitted in foreign currency

	Year ended 30 June 2015	Year ended 30 June 2014
Final dividend		
Number of non-resident shareholders	-	56
Number of shares held	-	119,980,029
Amount remitted in ₹ (net of tax)	-	71.99
Amount remitted FCY	-	\$11,612,844
Year to which it relates	-	2012-13
1st Interim dividend		
Number of non-resident shareholders	48	56
Number of shares held	119,957,036	119,953,649
Amount remitted in ₹ (net of tax)	143.95	23.99
Amount remitted FCY	\$23,526,754	\$3,901,249
Year to which it relates	2014-15	2013-14
2nd Interim dividend		
Number of non-resident shareholders	47	53
Number of shares held	119,923,196	119,979,529
Amount remitted in ₹ (net of tax)	71.95	47.99
Amount remitted FCY	\$11,700,775	\$7,714,485
Year to which it relates	2014-15	2013-14
3rd Interim dividend		
Number of non-resident shareholders	47	50
Number of shares held	119,923,196	119,942,486
Amount remitted in ₹ (net of tax)	95.94	47.98
Amount remitted FCY	\$15,444,815	\$7,917,322
Year to which it relates	2014-15	2013-14
4th Interim dividend		
Number of non-resident shareholders	47	-
Number of shares held	239,846,392	-
Amount remitted in ₹ (net of tax)	95.94	-
Amount remitted FCY	\$15,175,349	-
Year to which it relates	2014-15	-

2.42 Previous year figures have been rearranged to conform to the current year's classification.

As per our report of even date

For **S.R. BATLIBOI & CO. LLP**
 ICAI Firm Registration Number : 301003E
 Chartered Accountants

per **Tridibes Basu**
Partner
 Membership Number: 17401

Gurgaon, India
 03 August 2015

**For and on behalf of the Board of Directors
 of HCL Technologies Limited**

Shiv Nadar
 Chairman and Chief Strategy Officer

Anant Gupta
 President and Chief Executive Officer

Manish Anand
 Company Secretary

Noida (UP), India
 03 August 2015

Amal Ganguli
 Director

Anil Chanana
 Chief Financial Officer

Consolidated Financial Statements

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INDEPENDENT AUDITOR'S REPORT

To the Members of HCL Technologies Limited

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of HCL Technologies Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its associate, comprising of the Consolidated Balance Sheet as at June 30, 2015, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the Consolidated Financial Statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Consolidated 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 of the consolidated state of affairs of the Group, and its associate as at June 30, 2015, their consolidated profit, and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditor's report of the Holding Company, its subsidiaries and associate incorporated in India, to whom the Order applies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements;
 - (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

- (c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors of the Holding Company as on June 30, 2015 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group's companies and its associate incorporated in India is disqualified as on June 30, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated Financial Statements disclose the impact of pending litigations on its Consolidated financial position of the Group and its associate as of June 30, 2015;
 - ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts in respect of such items as it relates to the Group, its associate and the Group's share of net profit in respect of its associate;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associate incorporated in India.

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E

per Tridibes Basu

Partner

Membership Number: 17401

Place: Gurgaon, India

Date: August 3, 2015

Annexure referred to in paragraph 1 of the section on “Report on other legal and regulatory requirements” of our report of even date

Re: HCL Technologies Limited (‘Holding Company’)

The Group, comprising HCL Technologies Limited (‘Holding Company’) and its subsidiaries and associate incorporated in India and to whom the provisions of the Order apply (together referred to as “the Covered entities” in this report)

- (i) (a) The Holding Company and the Covered entities of the Group have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets were physically verified by the management of Holding Company and the Covered entities of the Group in accordance with a planned programme of verifying them in phased manner over the period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The management of the Holding Company and the Covered entities of the Group have conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Holding Company and the Covered entities of the Group and the nature of their business.
- (c) The Holding Company and the Covered entities of the Group are maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Holding Company and the Covered entities of the Group have not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) and (b) of the Order are not applicable to the Holding Company and the Covered entities of the Group and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us there is an adequate internal control system commensurate with the size of the Holding Company and the covered entities of the Group and the nature of its businesses, for the purchase of inventory and fixed assets and for the sale of goods and services, to the extent applicable to the nature of the business of the Holding Company and the Covered entities of the Group. During the course of our audit, no major weakness was observed or continuing failure to correct any major weakness in the internal control system of the Holding Company and the Covered entities of the Group in respect of these areas.
- (v) The Holding Company and the Covered entities of the Group have not accepted any deposits from the public.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of the Holding Company and the Covered entities of the Group except for one covered entity. For the said covered entity in our opinion, prima facie, the specified accounts and records have been made and maintained. The detailed examination of the same has not been made by us.

- (vii) (a) Undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases in respect of certain covered entities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable for the Holding Company and the Covered entities of the Group.
- (c) According to the records of the Holding Company and the Covered entities of the Group, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961#	Income Tax	14,466,193	2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961#	Income Tax	121,896,648	2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961#	Income Tax	1,959,632	2009-10	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961#	Income Tax	126,674	2004-05	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	10,207,935	2006-07	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	40,107	2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	925,475,897	2010-11	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	494,096,804	2009-10	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	30,510,965	2009-10	Income Tax Appellate Tribunal

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1,797,077,617	2007-08	Income Tax Appellate Tribunal
Income Tax Act, 1961#	Income Tax	88,854,241	2006-07	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	1,590,135,881	2006-07	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	29,780,371	2006-07	Income Tax Appellate Tribunal
Income Tax Act, 1961#	Income Tax	650,674	2005-06	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	137,097,922	2005-06	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	9,825,346	2005-06	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	82,365,915	2005-06	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	14,660,911	2005-06	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	30,768,721	2004-05	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	16,615,466	2007-08	Delhi High Court
Income Tax Act, 1961*	Income Tax	59,070,422	2005-06	Delhi High Court
Income Tax Act, 1961#	Income Tax	20,696	2004-05	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	17,640,000	2004-05	Delhi High Court
Income Tax Act, 1961*	Income Tax	73,604,302	2004-05	Delhi High Court
Income Tax Act, 1961	Income Tax	440,744,283	2004-05	Supreme Court of India
Income Tax Act, 1961*	Income Tax	23,055,804	2004-05	Delhi High Court
Income Tax Act, 1961#	Income Tax	217,648	2003-04	Income Tax Appellate Tribunal
Income Tax Act, 1961*	Income Tax	208,566,888	2003-04	Delhi High Court
Income Tax Act, 1961	Income Tax	1,660,000	2003-04	Delhi High Court
Income Tax Act, 1961	Income Tax	109,913,332	2003-04	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	14,255,745	2003-04	Supreme Court of India
Income Tax Act, 1961	Income Tax	18,280,770	2002-03	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	66,575,462	2002-03	Supreme Court of India

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2,852,500	2001-02	Delhi High Court
Finance Act 1994, read with Service Tax Rules, 1994	Service Tax	1,141,542	2006-11	Customs, Excise, Service Tax Appellate Tribunal, New Delhi
Finance Act 1994 read with Service Tax Rules, 1994	Service Tax	413,219	2009-10	Customs, Excise, Service Tax Appellate Tribunal, New Delhi
Finance Act 1994 read with Service Tax Rules, 1994	Service Tax	8,834,504	2007-10	Customs, Excise, Service Tax Appellate Tribunal, New Delhi
Finance Act 1994 read with Service Tax Rules, 1994	Service Tax	21,512,883	2006-07	Commissioner Appeals, Central Excise, Noida
Finance Act 1994, read with Service Tax Rules, 1994	Service Tax	8,162,466	2006-07	Customs, Excise, Service Tax Appellate Tribunal, New Delhi
Central Excise Act, 1944	Excise Act	17,367,443	2011-12	Customs, Excise, Service Tax Appellate Tribunal, Chennai
Central Sales Tax 1956	Sales Tax	543,718	2008-09	West Bengal Commercial Tax Appellate & Revisional Board
Central Sales Tax 1956	Sales Tax	1,040,092	2009-10	West Bengal Commercial Tax Appellate & Revisional Board
Central Sales Tax 1956	Sales Tax	370,744	2010-11	West Bengal Commercial Tax Appellate & Revisional Board
West Bengal Value Added Tax Act, 2003	Value Added Tax	49,000	2009-10	West Bengal Commercial Tax Appellate & Revisional Board
West Bengal Value Added Tax Act, 2003	Value Added Tax	1,123,438	2010-11	West Bengal Commercial Tax Appellate & Revisional Board
Customs Act, 1962	Custom Duty	5,517,609	2005-06	Customs, Excise, Service Tax Appellate Tribunal, Bangalore

* In these cases tax demand may arise only if the matter currently subjudice before Honorable Delhi High Court is decided against the Company.

Pursuant to scheme for demerger of IT enabled business of HCL Comnet Systems & Services Limited in FY 2012-13

- (d) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of

- 1956) and rules made thereunder has been transferred to such fund within time to the extent applicable to the covered entities.
- (viii) The Holding Company and the Covered entities of the Group have no accumulated losses at the end of the financial year and have not incurred cash losses in the current and immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Holding Company and the Covered entities of the Group have not defaulted in their repayment of dues to a financial institution, bank or debenture holders.
- (x) According to the information and explanations given to us, the Holding Company and the Covered entities of the Group have given guarantee for loans taken by others from banks and financial institutions, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Holding Company and the Covered entities of the Group.
- (xi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained by the Holding Company and the covered entities of the Group.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the consolidated financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Holding Company and the Covered entities of the Group have been noticed or reported during the year.

For S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E

per Tridibes Basu
Partner
Membership Number: 17401

Place: Gurgaon
Date: August 3, 2015

Consolidated Balance Sheet as at 30 June 2015

(All amounts in crores of ₹)

	Note No.	As at 30 June 2015	As at 30 June 2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2.1	281.20	140.00
(b) Reserves and surplus	2.2	23,943.19	19,402.18
		24,224.39	19,542.18
(2) Share application money pending allotment	2.3	0.02	7.65
(3) Minority interest		82.11	57.33
(4) Non - current liabilities			
(a) Long-term borrowings	2.4	167.89	200.64
(b) Other long-term liabilities	2.5	614.57	735.75
(c) Long term provisions	2.6	210.64	194.36
		993.10	1,130.75
(5) Current liabilities			
(a) Short term borrowings	2.7	355.48	205.83
(b) Trade payables	2.8	625.41	468.48
(c) Other current liabilities	2.8	7,230.62	7,105.30
(d) Short term provisions	2.9	1,733.54	1,462.17
		9,945.05	9,241.78
TOTAL		35,244.67	29,979.69
II. ASSETS			
(1) Non-current assets			
(a) Fixed Assets			
(i) Tangible assets	2.10	3,403.69	2,657.52
(ii) Intangible assets	2.10	4,871.58	4,786.42
(iii) Capital work in progress		551.52	530.95
		8,826.79	7,974.89
(b) Non-current investments	2.11	106.81	55.40
(c) Deferred tax assets (net)	2.12	789.71	814.96
(d) Long term loans and advances	2.13	1,442.19	1,329.08
(e) Other non-current assets	2.14	1,032.37	475.73
		12,197.87	10,650.06
(2) Current Assets			
(a) Current investments	2.11	762.58	606.29
(b) Inventories	2.15	157.61	122.30
(c) Trade receivables	2.16	6,538.69	5,682.84
(d) Cash and bank balances	2.17	9,786.23	8,807.30
(e) Short - term loans and advances	2.18	2,188.84	1,589.93
(f) Other current assets	2.19	3,612.85	2,520.97
		23,046.80	19,329.63
TOTAL		35,244.67	29,979.69
Summary of significant accounting policies	1 to 2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. BATLIBOI & CO. LLP
 ICAI Firm Registration Number : 301003E

Chartered Accountants

per Tridibes Basu
Partner

Membership Number: 17401

 Gurgaon, India
 03 August 2015

For and on behalf of the Board of Directors
of HCL Technologies Limited
Shiv Nadar
 Chairman and Chief Strategy Officer

Anant Gupta
 President and Chief Executive Officer

Manish Anand
 Company Secretary

 Noida (UP), India
 03 August 2015

Amal Ganguli
 Director

Anil Chanana
 Chief Financial Officer

Consolidated Statement of Profit and Loss for the year ended 30 June 2015

(All amounts in crores of ₹)

	Note No.	Year ended 30 June 2015	Year ended 30 June 2014
Income			
Revenue from operations	2.20	36,701.22	32,143.66
Other income	2.21	1,139.46	677.40
Total revenue		37,840.68	32,821.06
Expenses			
Purchase of traded goods		1,306.38	920.92
Changes in inventories of traded goods	2.22	(35.65)	108.06
Employee benefits expense	2.23	17,726.43	14,906.36
Finance costs	2.24	91.23	114.50
Depreciation and amortization expense	2.10	403.75	680.86
Other expenses	2.25	9,231.48	8,173.03
Total expenses		28,723.62	24,903.73
Profit before tax		9,117.06	7,917.33
Tax expense			
Current tax		2,128.42	1,692.25
MAT credit entitlement		(311.95)	(120.36)
Deferred tax credit		(1.36)	(162.32)
Total tax expense		1,815.11	1,409.57
Profit after tax and before minority interest / share of profit (loss) of associates		7,301.95	6,507.76
Share of profit of associates		39.90	20.06
Profit for the year		7,341.85	6,527.82
Profit attributable to			
Owners of the Company		7,317.07	6,509.51
Minority interest		24.78	18.31
		7,341.85	6,527.82
Earnings per equity share of ₹ 2 each	2.27		
Basic (in ₹)		52.09	46.59
Diluted (in ₹)		51.79	45.96
Summary of significant accounting policies	1 to 2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

**For and on behalf of the Board of Directors
of HCL Technologies Limited**
For S.R. BATLIBOI & CO. LLP
ICAI Firm Registration Number : 301003E

Shiv Nadar
Chairman and Chief Strategy Officer

Amal Ganguli
Director

Chartered Accountants

per Tridibes Basu
Anant Gupta
President and Chief Executive Officer

Anil Chanana
Chief Financial Officer

Partner
Membership Number: 17401

Manish Anand
Company Secretary

 Gurgaon, India
03 August 2015

 Noida (UP), India
03 August 2015

Consolidated Cash flow statement

(All amounts in crores of ₹)

	Year ended 30 June 2015	Year ended 30 June 2014
A. Cash flows from operating activities		
Profit before tax	9,117.06	7,917.33
Adjustment for:		
Depreciation and amortization	403.75	680.86
Interest income	(814.20)	(544.86)
Profit on sale of investments (net)	(36.80)	(58.73)
Loss on sale of long term investment in joint venture	13.49	-
Interest expenses	21.15	54.33
Profit on sale of fixed assets (net)	(155.83)	(47.82)
Employee stock compensation expense / (written back)	(15.39)	30.92
Other non cash charges/(benefits)	(31.53)	113.77
Operating profit before working capital changes	8,501.70	8,145.80
Movement in Working Capital		
(Increase) / decrease in trade receivables	(886.97)	(1,188.47)
(Increase) / decrease in inventories	(41.11)	113.03
(Increase) / decrease in loan and advances	122.60	(172.82)
(Increase) / decrease in other assets	(1,640.81)	(185.70)
Increase / (decrease) in other liabilities and provisions	1,258.26	1,189.90
Cash generated from operations	7,313.67	7,901.74
Direct taxes paid (net of refunds)	(1,774.47)	(1,444.96)
Net cash flow from operating activities (A)	5,539.20	6,456.78
B. Cash flows from investing activities		
Proceeds from bank deposit on maturity	7,782.07	2,861.22
Investments in bank deposits	(8,449.80)	(7,785.10)
Deposits placed with body corporate	(1,193.00)	(571.00)
Proceeds from maturity of deposits placed with body corporate	571.00	742.00
Payment for investment in mutual fund - units allotted on 01-July-2014	-	(59.00)
Purchase of investments in securities	(8,205.25)	(7,852.04)
Proceeds from sale of investments in securities	8,144.97	7,985.26
Proceeds from sale of long term investment in joint venture	9.93	-
Investment in limited liability partnership	(10.18)	-
Purchase of fixed assets, including capital work in progress and capital advances	(1,208.16)	(719.56)
Proceeds from sale of fixed assets	6.54	60.74
Advance against sale of building	-	180.00
Entrusted loan provided (refer note 2.37)	(25.44)	-
Interest received	830.46	500.93
Dividend received from joint venture	6.08	-
Taxes paid	(272.73)	(183.55)
Net cash flow used in investing activities (B)	(2,013.51)	(4,840.10)

Consolidated Cash flow statement (Contd.)

(All amounts in crores of ₹)

	Year ended 30 June 2015	Year ended 30 June 2014
C. Cash flows from financing activities		
Proceeds from issue of share capital	10.45	34.47
Repayment of debentures	(500.00)	-
Proceeds from long term borrowings	90.58	11.34
Repayment of long term borrowings	(17.09)	(33.70)
Proceeds from short term borrowings	581.53	73.47
Repayment of short term borrowings	(456.25)	-
Proceeds from entrusted loan (refer note 2.37)	25.44	-
Interest paid	(23.69)	(54.46)
Dividend paid	(2,385.11)	(1,118.39)
Corporate dividend tax	(439.27)	(184.45)
Principal payment on finance lease obligations	(26.93)	(36.25)
Net cash flows used in financing activities (C)	(3,140.34)	(1,307.97)
Net increase in cash and cash equivalents (A+B+C)	385.35	308.71
Effect of exchange differences on cash and cash equivalents held in foreign currency	(74.06)	(2.18)
Cash and cash equivalents at the beginning of the year	1,027.23	720.70
Cash and cash equivalents at the end of the year as per note 2.17 (a) (refer note below)	1,338.52	1,027.23

Summary of significant accounting policies (note 1)

Note:

Cash and cash equivalents include the following :

Investor education and protection fund-unclaimed dividend*	2.99	2.51
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* The Group can utilize these balances only towards the settlement of the respective above mentioned liabilities:

As per our report of even date

For S.R. BATLIBOI & CO. LLP
ICAI Firm Registration Number : 301003E

Chartered Accountants

per Tridibes Basu
Partner

Membership Number: 17401

 Gurgaon, India
 03 August 2015

For and on behalf of the Board of Directors
of HCL Technologies Limited
Shiv Nadar
 Chairman and Chief Strategy Officer

Anant Gupta
 President and Chief Executive Officer

Manish Anand
 Company Secretary

 Noida (UP), India
 03 August 2015

Amal Ganguli
 Director

Anil Chanana
 Chief Financial Officer

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Group Overview

HCL Technologies Limited (hereinafter referred to as “the Company” or “the Parent Company”) and its consolidated subsidiaries, joint ventures and associates (hereinafter collectively referred to as “the Group”) are primarily engaged in providing a range of software services, business process outsourcing services and IT infrastructure services. The Company was incorporated in India in November 1991. The Group leverages its extensive offshore infrastructure and global network of offices and professionals located in various countries to deliver solutions across select verticals including financial services, manufacturing (automotive, aerospace, hitech and semi-conductors) telecom, retail and consumer packaged goods services, media, publishing and entertainment, public services, energy and utility, healthcare and travel, transport and logistics.

1. Significant Accounting Policies
a) Basis of preparation

The financial statements of the Group have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). These consolidated financial statements have been prepared to comply in all material aspects with applicable accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared under the historical cost convention on an accrual and going concern basis except for certain financial instruments which are measured at fair value.

The accounting policies adopted in the preparation of the financial statements are consistent with those of the previous year unless stated specifically in the accounting policies below.

b) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon the management’s best knowledge of current events and actions, actual results could differ from these estimates.

c) Principles of consolidation

These consolidated financial statements relate to HCL Technologies Limited, the Parent Company, its subsidiaries, joint venture and associates which are as follows:

Subsidiaries of HCL Technologies Limited:-

Sr. No.	Name of the Subsidiaries	Country of Incorporation	Year ended 30 June 2015	Year ended 30 June 2014
			Holding Percentage	
1	HCL Comnet Systems & Services Limited	India	100%	100%
2	HCL Comnet Limited	India	100%	100%
3	HCL Bermuda Limited	Bermuda	100%	100%
4	HCL Technologies (Shanghai) Limited	China	100%	100%
5	HCL Eagle Limited	India	92%	92%
6	HCL Singapore Pte. Limited	Singapore	100%	100%

Step down subsidiaries of direct subsidiaries of HCL Technologies Limited as mentioned above are as follows:-

Sr. No.	Name of the Subsidiaries	Country of Incorporation	Year ended 30 June 2015	Year ended 30 June 2014
			Holding Percentage	
1	HCL Great Britain Limited	UK	100%	100%
2	HCL (Netherlands) BV	Netherlands	100%	100%
3	HCL Belgium NV	Belgium	100%	100%
4	HCL Sweden AB	Sweden	100%	100%
5	HCL GmbH	Germany	100%	100%
6	HCL Italy SLR	Italy	100%	100%
7	HCL Australia Services Pty. Limited	Australia	100%	100%

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Sr. No.	Name of the Subsidiaries	Country of Incorporation	Year ended 30 June 2015	Year ended 30 June 2014
			Holding Percentage	
8	HCL (New Zealand) Limited	New Zealand	100%	100%
9	HCL Hong Kong SAR Limited	Hong Kong	100%	100%
10	HCL Japan Limited	Japan	100%	100%
11	HCL America Inc.	USA	100%	100%
12	HCL Technologies Austria GmbH	Austria	100%	100%
13	HCL Global Processing Services Limited	India	100%	100%
14	HCL BPO Services (NI) Limited	UK	100%	100%
15	HCL (Malaysia) Sdn. Bhd.	Malaysia	100%	100%
16	HCL Technologies Solutions Limited	India	100%	100%
17	HCL Poland sp. z o.o	Poland	100%	100%
18	HCL EAS Limited	UK	100%	100%
19	HCL Insurance BPO Services Limited	UK	100%	100%
20	HCL Expense Management Services Inc.	USA	100%	100%
21	HCL Axon Group Limited	UK	100%	100%
22	HCL Axon Technologies Inc.	Canada	100%	100%
23	Bywater Limited \$	UK	-	100%
24	HCL Technologies Solutions GmbH	Switzerland	100%	100%
25	Axon Solutions Pty. Limited	Australia	100%	100%
26	Axon Solutions Inc.	USA	100%	100%
27	Axon Solutions Limited	UK	100%	100%
28	HCL Axon Malaysia Sdn. Bhd.	Malaysia	100%	100%
29	Axon Solutions Singapore Pte. Limited	Singapore	100%	100%
30	Axon Solutions (Shanghai) Co. Limited	China	100%	100%
31	HCL Axon (Proprietary) Limited	South Africa	70%	70%
32	HCL Argentina s.a.	Argentina	100%	100%
33	HCL Mexico S. de R.L.	Mexico	100%	100%
34	HCL Technologies Romania s.r.l.	Romania	100%	100%
35	HCL Hungary Kft	Hungary	100%	100%
36	HCL Latin America Holding LLC	USA	100%	100%
37	HCL (Brazil) Tecnologia da informacao Ltda.	Brazil	100%	100%
38	HCL Technologies Denmark Apps	Denmark	100%	100%
39	HCL Technologies Norway AS	Norway	100%	100%
40	PT. HCL Technologies Indonesia Limited	Indonesia	100%	100%
41	HCL Technologies Philippines Inc.	Philippines	100%	100%
42	HCL Technologies South Africa (Proprietary) Limited	South Africa	70%	70%

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Sr. No.	Name of the Subsidiaries	Country of Incorporation	Year ended 30 June 2015	Year ended 30 June 2014
			Holding Percentage	
43	HCL Arabia LLC	Saudi Arabia	100%	100%
44	HCL Technologies France	France	100%	100%
45	Filial Espanola De HCL Technologies S.L	Spain	100%	100%
46	Anzospan Investments Pty Limited	South Africa	70%	70%
47	HCL Investments (UK) Limited	UK	100%	100%
48	HCL America Solutions Inc.	USA	100%	100%
49	HCL Technologies Chile Spa	Chile	100%	100%
50	HCL Technologies UK Limited.	UK	100%	100%
51	HCL Technologies B.V.	Netherlands	100%	100%
52	HCL (Ireland) Information Systems Limited	Ireland	100%	100%
53	HCL Technologies Germany GmbH	Germany	100%	100%
54	HCL Technologies Belgium N.V.	Belgium	100%	100%
55	HCL Technologies Sweden AB	Sweden	100%	100%
56	HCL Technologies Finland Oy	Finland	100%	100%
57	HCL Technologies Italy S.P.A#	Italy	100%	-
58	HCL Technologies Columbia S.A.S##	Columbia	100%	-
59	HCL Technologies Middle East FZ-LLC %	UAE	100%	-
60	HCL Istanbul Bilisim Teknolojileri Limited Sirketi%%	Turkey	100%	-
61	HCL Technologies Greece Single Member P.C%%%	Greece	100%	-
62	HCL Technologies S.A. %%%	Venezuela	100%	-
63	HCL Technologies Beijing Co., Ltd ^	China	100%	-
64	HCL Technologies Luxembourg S.a r.l ^ ^	Luxembourg	100%	-
65	HCL-TEN Ventures, LLC ^ ^ ^	USA	100%	-
66	HCL Technologies Egypt Limited !	Egypt	100%	-
67	HCL Foundation !!	India	100%	-
68	HCL Technologies Estonia OÜ !!!	Estonia	100%	-
69	HCL Technologies (Thailand) Ltd. *	Thailand	100%	-

incorporated on 30 July 2014

incorporated on 06 August 2014

% incorporated on 19 August 2014

%% incorporated on 30 September 2014

%%% incorporated on 20 November 2014

^ incorporated on 06 February 2015

^ ^ incorporated on 12 February 2015

^ ^ ^ incorporated on 09 March 2015

! incorporated on 22 March 2015

!! incorporated on 30 December 2014

!!! incorporated on 08 June 2015

* incorporated on 10 June 2015

\$ Dissolved on 13 January 2015

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Joint Venture of HCL Technologies Limited is as follows:–

Sr. No.	Name of the Joint Venture	Country of Incorporation	Year ended 30 June 2015	Year ended 30 June 2014
			Holding Percentage	
1	Axon Puerto Rico (refer note 2.35)	Puerto Rico	-	49%

Associates of HCL Technologies Limited are as follows:–

Sr. No.	Name of the Associates	Country of Incorporation	Year ended 30 June 2015	Year ended 30 June 2014
			Holding Percentage	
1	Statestreet HCL Holding UK Limited	UK	49%	49%
2	Statestreet HCL Services (India) Private Limited (100% subsidiary of associate)	India	49%	49%
3	Statestreet HCL Services (Phillipines) Inc. (100% subsidiary of associate)	Phillipines	49%	49%

The Group has an equity interest of 49% in associates and 100% dividend rights. The shareholders agreement provides specific rights to the two shareholders. The management believes that these specific rights do not confer joint control as defined in Accounting Standard 27 “Financial Reporting of Interests in Joint Ventures”. Consequently, Statestreet HCL Holding UK Limited and its step down subsidiaries are not considered as joint ventures and consolidation of financial statements is carried out as per the equity method in terms of Accounting Standard 23 “Accounting for Investments in Associates in Consolidated Financial Statements”.

During the year “HCL Technologies Ltd.” (Parent) subscribed to 100% share capital of “HCL Foundation” (company), a not for profit company registered under Section 8 of the Companies Act, 2013 with a paid-up capital of ₹ 0.05 crores. Since the objective of the parent is not to obtain economic benefits from the company, it has not been considered for the purpose of preparation of consolidated financial statements.

Subsidiary companies are those in which the Group, directly or indirectly, has an interest of more than one half of the voting power or otherwise has power to exercise control over the composition of the Board of Directors of such companies. Subsidiaries are consolidated from the date on which effective control is transferred to the Group until the date of cessation of the parent-subsidiary relationship. The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the Group. The joint venture is accounted for using proportionate consolidation. Investments in associates are accounted for using the equity method.

The share of profit/loss in limited liability partnership (LLP) is accounted for in the books of the company as and when it is credited/ debited to the Partners’ Capital Account in accordance with the guidance note issued by the Institute of Chartered Accountants of India.

All material intercompany transactions, balances and unrealized surplus and deficit on transactions between Group companies are eliminated and only the parent’s share in net assets is considered for calculation of goodwill. Consistency in adoption of accounting policies among all Group companies is ensured. Separate disclosures are made of minority interest.

Minority interest in subsidiaries represents the minority shareholders’ proportionate share of net assets and the net income of HCL’s majority owned subsidiaries.

Goodwill has been recorded to the extent that the cost of acquisition, comprising purchase consideration and transaction costs, exceeds the fair value of net assets in each acquired company. The goodwill arising on consolidation is not amortized but tested for impairment on a periodic basis.

d) Tangible fixed assets and capital work-in-progress

Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses on existing fixed assets, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Fixed assets under construction and cost of assets not ready for use before the year-end are disclosed as capital work-in-progress.

e) Depreciation on tangible fixed assets

Depreciation on tangible fixed assets is provided on the straight-line method over their estimated useful lives, as determined by the management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

The management's estimates of the useful lives of various tangible fixed assets for computing depreciation are as follows:

	Life (in years)
Land-leasehold	Over the period of lease (up to maximum of 99 years)
Buildings	20
Plant and machinery (including air conditioners, electrical installations and aircraft)	10 to 17
Office equipments	5
Computers	4-5
Furniture and fixtures	7
Vehicles – owned	5
Vehicles – leased	Over the period of lease or 5 years, whichever is lower
Leasehold-improvements	Over the remaining period of lease or 4 years, whichever is lower

The useful lives as given above best represent the period over which the management expects to use these assets, based on technical assessment. Hence, the useful lives for these assets are different from the useful lives prescribed under Part C of Schedule II of the Companies Act 2013.

Till year ended 30 June 2014, to comply with the requirements of Schedule XIV to the Companies Act, 1956, the Group was charging 100% depreciation on assets costing ₹ 5,000/- or less in the year of purchase. However, to comply with the requirement of Schedule II to the Companies Act, 2013, the Group has changed its accounting policy for depreciation of assets costing ₹ 5,000/- or less. As per the revised policy, the Group depreciates such assets over their useful lives as assessed by the management. The management has decided to apply the revised accounting policy prospectively from the accounting year commencing on or after 1st July 2014. The change in the accounting for depreciation of assets costing ₹ 5,000/- or less did not have any material impact on financial statements of the group for the current year.

f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following the initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over their estimated useful economic life. The Group uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use.

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from the previous estimate, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefit from the asset, the amortization method is changed to reflect the changed pattern.

Gains or losses arising from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss when the asset is derecognized.

Any other goodwill including that arising on consolidation of subsidiaries is not amortized. Goodwill arising out of amalgamation is amortized over 5 years unless a longer period can be justified.

The management's estimates of the useful life of various other intangible assets are as follows:

	Life (in years)
Software	3
Intellectual Property Rights	10

g) Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Group can demonstrate all the following:

- (i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (ii) Its intention to complete the asset;
- (iii) Its ability to use or sell the asset;
- (iv) How the asset will generate future economic benefits;
- (v) The availability of adequate resources to complete the development and to use or sell the asset; and
- (vi) The ability to measure reliably the expenditure attributable to the intangible asset during development.

Any expenditure so capitalized is amortized over the period of expected future sales from the related project.

The carrying value of development costs is reviewed annually for impairment when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

h) Leases

Where the Group is the lessee

Finance leases, which effectively transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value or present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance cost in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of the lease are capitalized.

A leased asset is depreciated on a straight line basis over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight line basis over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Group is the lessor

Leases in which the Group transfers substantially all the risk and benefits of ownership of the asset are classified as finance leases. Assets given under a finance lease are recognized as a receivable at an amount equal to the net investment in the leased assets. After initial recognition, the Group apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance leases. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal cost, brokerage cost etc are recognized immediately in the statement of profit and loss.

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Leases in which the Group does not transfer substantially all the risk and benefits of ownership of the assets are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal cost, brokerage cost etc are recognized immediately in the statement of profit and loss.

i) Borrowing cost

Borrowing costs include interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

j) Impairment of tangible and intangible assets

An assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible or intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. The recoverable amount is the higher of an asset's or cash generating unit's net selling price or its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

k) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises the purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired by the issue of shares or other securities, the acquisition cost is the fair value of securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried at the lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of the long term investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

l) Inventories

Stock in trade, stores and spares are valued at the lower of the cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Cost of stock in trade procured for specific projects is assigned by identification of individual costs of each item. Cost of stock in trade, that are interchangeable and not specific to any project and cost of stores and spare parts are determined using the weighted average cost formula.

m) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue from sale of goods and rendering of services is recognized when risk and reward of ownership have been transferred to the customer, the sale price is fixed or determinable and collectability is reasonably assured.

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

The Group derives revenues primarily from:-

- Software services;
- IT Infrastructure services; and
- Business process outsourcing services.

i) Software services

Revenue from software services comprises income from time and material and fixed price contracts. Revenue with respect to time and material contracts is recognized as related services are performed. Revenue from fixed price contracts is recognized in accordance with the percentage completion method under which revenue is recognized on the basis of cost incurred in respect of each contract as a proportion of total cost expected to be incurred. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provision for estimated losses is made during the year in which a loss becomes probable based on current cost estimates. Revenue from sale of licenses for the use of software applications is recognized on transfer of title in the user license. Revenue from annual technical service contracts is recognized on a pro rata basis over the period in which such services are rendered. Income from revenue sharing agreements is recognized when the right to receive is established.

ii) IT Infrastructure services

Revenue from sale of products is recognized when risk and reward of ownership have been transferred to the customer, the sale price is fixed or determinable and collectability is reasonably assured. Revenue related to products with installation services that are critical to the products is recognized when installation of networking equipment at customer site is completed and accepted by the customer. Revenue from bandwidth services is recognized upon actual usage of such services by customers based on either the time for which these services are provided or volume of data transferred or both and excludes service tax. Revenue from maintenance services is recognized ratably over the period of the contract. Revenue from IT infrastructure management services comprises income from time-and-material, and fixed price contracts. Revenue with respect to time-and-material contracts is recognized as related services are performed. Revenue with respect to fixed price contracts is recognized in accordance with the percentage of completion method.

Unearned revenue arising in respect of bandwidth services and maintenance services is calculated on the basis of the unutilized period of service at the balance sheet date and represents revenue which is expected to be earned in future periods in respect of these services.

In case of multiple-deliverable contracts where revenue cannot be allocated to various deliverables in a contract, the entire contract is accounted for as one deliverable and accordingly the revenue is recognized on a proportionate completion method following the performance pattern of predominant services in the contract or is deferred until the last deliverable is delivered.

iii) Business process outsourcing services

Revenue from business process outsourcing services is derived from both time based and unit-price contracts. Revenue is recognized as the related services are performed in accordance with the specific terms of the contracts with the customers.

Earnings in excess of billing are classified as unbilled revenue, while billing in excess of earnings are classified as unearned revenue. Incremental revenue from existing contracts arising on future sales of the customers' products will be recognized when it is earned. Revenue and related direct costs from transition services in outsourcing arrangements are deferred and recognized over the period of the arrangement. Certain upfront non-recurring costs incurred in the initial phases of outsourcing contracts and contract acquisition costs, are deferred and amortized usually on a straight line basis over the term of the contract. The Group periodically estimates the undiscounted cash flows from the arrangement and compares it with the unamortized costs. If the unamortized costs exceed the undiscounted cash flow, a loss is recognized.

The Group gives volume discounts and pricing incentives to customers. The discount terms in the Group's arrangements with customers generally entitle the customer to discounts, if the customer completes a specified level of revenue transactions. In some arrangements, the level of discount varies with increases in the levels of revenue transactions. The Group recognizes discount obligations as a reduction of revenue based on the rateable allocation of the discount to each of the underlying revenue transactions that result in progress by the customer toward earning the discount.

Revenues are shown net of sales tax, value added tax, service tax and applicable discounts and allowances.

Revenue from finance leases is recognized when risk of loss is transferred to the customer and there are no unfulfilled obligations that affect the customer's final acceptance of the arrangement. Interest attributable to finance leases is recognized on the accrual basis using the effective interest method.

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

iv) **Others**

Interest on the deployment of surplus funds is recognized using the time-proportion method, based on interest rates implicit in the transaction. Brokerage, commission and rent are recognized once the same are earned and accrued to the Group and dividend income is recognized when the right to receive the dividend is established.

n) **Foreign currency translation****(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency, at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expense in the statement of profit and loss in the year in which they arise.

(iv) Hedging**(a) Cash flow hedging**

The Group uses derivative financial instruments (foreign currency forward and option contracts) to hedge its risks associated with foreign currency fluctuations relating to certain highly probable forecast transactions.

The use of foreign currency forward and options contracts is governed by the Group's policies, which provide written principles on the use of such financial derivatives, consistent with the Group's risk management strategy. The Group does not use derivative financial instruments for speculative purposes.

The derivative instruments are initially measured at fair value, and are re-measured at subsequent reporting dates. In respect of derivatives designated as hedges, the Group formally documents all relationships between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also formally assesses, both at the inception of the hedge and on an ongoing basis, whether each derivative is highly effective in offsetting changes in fair values or cash flows of the hedged item. Changes in the fair value of these derivatives (net of tax) that are designated and effective as hedges of future cash flows are recognized directly in the hedging reserve account under shareholders' funds and the ineffective portion is recognized immediately in the statement of profit and loss. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the statement of profit and loss as they arise.

Hedge accounting is discontinued from the last testing date when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on such hedging instrument recognized in shareholders' funds is retained until the forecast transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in shareholders' funds is transferred to the statement of profit and loss for the year.

(b) Hedging of monetary assets and liabilities

Exchange differences on such contracts are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of a forward exchange contract is recognized as income or as an expense for the year.

(v) Translation of integral and non-integral foreign operation

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation had been those of the Group itself.

In translating the financial statements of a non-integral foreign operation for incorporation in the financial statements, the assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation are translated at the closing rate and income and expense items of the non-integral foreign operation are translated at weighted average rates, which approximate the actual exchange rates. All resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

On the disposal of a non-integral foreign operation, the cumulative amount of the exchange differences which had been

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

deferred and which relate to that operation are recognized as income or as an expense in the same period in which the gain or loss on disposal is recognized.

o) Retirement and other employee benefits

- i. Contributions to provident fund, a defined benefit plan, are deposited with recognized Provident Fund Trusts, set up by the Group. The Group's liability is actuarially determined at the end of the year. Actuarial losses/ gains are recognized in the statement of profit and loss in the year in which they arise. The minimum interest rate payable by the Trusts to the beneficiaries every year is notified by the Government and the Group has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.
- ii. In respect of superannuation, a defined contribution plan for applicable employees, the Company contributes to a scheme administered on its behalf by an insurance company and such contributions for each year of service rendered by the employees are charged to the statement of profit and loss. The Company has no further obligations to the superannuation plan beyond its contributions.
- iii. Gratuity liability: The Company and its subsidiaries in India provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's base salary and the tenure of employment (subject to a maximum of ₹ 10 lacs per employee). The liability is actuarially determined (using the projected unit credit method) at the end of each year.
- iv. Compensated absences: The employees of the Group are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation (using the projected unit credit method) based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the balance sheet date. The expense on non-accumulating compensated absences is recognized in the period in which the absences occur.
- v. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.
- vi. State Plans: The contribution to State Plans, a defined contribution plan namely Employee State Insurance Fund and Employees' Pension Scheme for the Company and its subsidiaries in India are charged to the statement of profit and loss.
- vii. Contributions to other foreign defined contribution plans are recognized as expense when employees have rendered services entitling them to such benefits.

p) Taxation

Tax expense comprises current and deferred tax. Current income tax expense comprises taxes on income from operations in India and foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961 and tax expense relating to overseas operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Deferred tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

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. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets, against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty, supported by convincing evidence, that they can be realized against future taxable profits. In situations where the Group is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Group's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.

At each balance sheet date the Group re-assesses recognized and unrecognized deferred tax assets. The Group writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which the deferred tax asset can be realized. Any

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. The Group recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The Company and its subsidiaries in India are subject to Minimum Alternative Tax (MAT) on its book profits, which give rise to future economic benefits in the form of adjustments of future income tax liability. MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset in accordance with guiding professional pronouncements, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Group reviews the MAT credit entitlement at each balance sheet date and writes down the carrying amount of the MAT credit entitlement to the extent that there is no longer convincing evidence to the effect that the Group will pay normal income tax during the specified period.

q) Employee stock compensation cost

In accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (as applicable) and the Guidance Note on Accounting for Employee Share based Payments issued by the Institute of Chartered Accountants of India, the company calculates the compensation cost of equity-settled transactions based on the intrinsic value method wherein the excess of the market price of the underlying equity shares on the date of the grant of the options over the exercise price of the options given to the employees under the employee stock option schemes of the company, is recognized as deferred stock compensation cost and is amortized on a graded vesting basis over the vesting period of the options.

r) Earnings per share

Basic earnings per share are computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for bonus shares.

s) Provisions

A provision is recognized when there exists a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to present value and are determined based on best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

t) Contingent liabilities

A contingent liability is a possible obligation that may arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

u) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term deposits with banks with an original maturity of three months or less.

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2. Notes to consolidated financial statements
2.1 Share Capital

	As at	
	30 June 2015	30 June 2014
Authorized		
1,500,000,000 (Previous year 750,000,000) equity shares of ₹ 2 each	300.00	150.00
Issued, subscribed and fully paid up		
1,405,978,418 (Previous year 699,976,381) equity shares ₹ 2 each	281.20	140.00

Terms/ rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of 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.

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

	As at			
	30 June 2015		30 June 2014	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Number of shares at the beginning	699,976,381	140.00	696,869,857	139.37
Add: Shares issued on exercise of employee stock options	3,154,076	0.63	3,106,524	0.63
Add: Bonus shares issued	702,847,961	140.57	-	-
Number of shares at the end	1,405,978,418	281.20	699,976,381	140.00

The Company does not have any holding/ ultimate holding company.

Details of shareholders holding more than 5% shares in the company:

Name of the shareholder	As at			
	30 June 2015		30 June 2014	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Equity shares of ₹ 2 each fully paid				
Vama Sundari Investments (Delhi) Private Limited	600,097,024	42.68%	300,048,512	42.87%
HCL Holdings Private Limited	239,097,816	17.01%	119,548,908	17.08%

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

	As at	
	30 June 2015	30 June 2014
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.	10,125 Equity Shares	10,125 Equity Shares
Aggregate number and class of shares allotted as fully paid up by way of bonus shares. Equity Shares	702,847,961	Nil
Aggregate number and class of shares bought back	Nil	Nil

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

During the year, pursuant to approval of the shareholders through postal ballot on March 10, 2015, a sum of ₹ 140.57 (previous year : Nil) was capitalized from securities premium account for issuance of 702,847,961 bonus shares of ₹ 2/- each fully paid-up and these bonus shares were allotted by the Company on March 21, 2015. The said bonus shares were issued in the proportion of 1 equity share for every 1 equity share of ₹ 2/- each held by the equity shareholders of the Company on the record date of March 20, 2015.

Employee Stock Option Plan (ESOP)

The Company has provided various share-based payment schemes to its employees. During the year ended 30 June 2015, the following schemes were in operation:

	ESOP 1999	ESOP 2000	ESOP 2004
Maximum number of options under the plan	20,000,000	15,000,000	20,000,000
Method of Settlement (Cash/Equity)	Equity	Equity	Equity
Vesting Period (Maximum)	110 months	104 months	96 months
Exercise Period from the date of vesting (maximum)	5 years	5 years	5 years
Vesting Conditions	Service Period	Service Period	Service period/ Group performance

During the year ended 30 June 2014, the following schemes were in operation:

	ESOP 1999	ESOP 2000	ESOP 2004
Maximum number of options under the plan	20,000,000	15,000,000	20,000,000
Method of Settlement (Cash/Equity)	Equity	Equity	Equity
Vesting Period (Maximum)	110 months	104 months	96 months
Exercise Period from the date of vesting (maximum)	5 years	5 years	5 years
Vesting Conditions	Service Period	Service Period	Service period/ Group performance

Each option granted under the above plans entitles the holder to eight equity shares (four equity shares prior to 1:1 bonus issue) of the Company at an exercise price, which is approved by the Nomination and Remuneration Committee.

The details of activity under various plan have been summarized below:

ESOP 1999	Year ended			
	30 June 2015		30 June 2014	
	No of options	Weighted average exercise price (₹)	No of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	125,823	722.45	324,422	666.37
Add: Granted during the year	-	-	-	-
Less: Forfeited during the year	-	-	-	-
Exercised during the year	(101,849)	641.68	(184,025)	638.94
Expired during the year	(23,974)	645.51	(14,574)	645.34
Options outstanding at the end of the year	-	-	125,823	722.45
Options exercisable at the end of the year	-	-	125,823	

The weighted average option price at the date of exercise for stock options exercised during the year was ₹ 6,419.36 (Previous year ₹ 4,635.01)

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

ESOP 2000	Year ended			
	30 June 2015		30 June 2014	
	No of options	Weighted average exercise price (₹)	No of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	210,241	642.84	583,255	641.16
Add: Granted during the year	-	-	-	-
Less: Forfeited during the year	-	-	-	-
Exercised during the year	(167,144)	636.82	(301,986)	637.05
Expired during the year	(43,097)	665.07	(71,028)	653.61
Options outstanding at the end of the year	-	-	210,241	642.84
Options exercisable at the end of the year	-	-	210,241	

The weighted average option price at the date of exercise for stock options exercised during the year was ₹ 6,430.37 (Previous year ₹ 4,645.11)

ESOP 2004	Year ended			
	30 June 2015		30 June 2014	
	No of options	Weighted average exercise price (₹)	No of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	1,728,849	11.69	2,238,201	14.48
Add: Granted during the year	-	-	8,000	8.00
Less: Forfeited during the year	(204,366)	13.11	(225,132)	8.00
Exercised during the year	(484,214)	18.71	(290,620)	28.69
Expired during the year	(12,990)	122.48	(1,600)	1,329.66
Options outstanding at the end of the year *	1,027,279	16.00	1,728,849	11.69
Options exercisable at the end of the year	200,397		274,481	

The weighted average option price at the date of exercise for stock options exercised during the year was ₹ 6,694.63 (Previous year ₹ 4,998.73)

* Total number of outstanding options includes 837,785 as on 30 June 2015 (1,252,638 as on 30 June 2014) performance based options. These options will vest to the employees of the Group based on the achievement of certain targets by the Group.

The details of exercise price for stock options outstanding at the end of the year 30 June 2015 are:

Name of the Plan	Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
Employee Stock Option Plan – 1999	₹ 240 - ₹ 750	-	-	-
Employee Stock Option Plan – 2000	₹ 260 - ₹ 470 ₹ 483 - ₹ 823	- -	- -	- -
Employee Stock Option Plan – 2004	₹ 16 ₹ 642 - ₹ 741	1,027,279 -	3.93 -	16.00 -

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

The details of exercise price for stock options outstanding at the end of the year 30 June 2014 are:

Name of the Plan	Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
Employee Stock Option Plan – 1999	₹ 240 - ₹ 750	125,823	-	722.45
Employee Stock Option Plan – 2000	₹ 260 - ₹ 470	-	-	-
	₹ 483 - ₹ 823	210,241	-	642.84
Employee Stock Option Plan – 2004	₹ 8	1,719,386	4.80	8.00
	₹ 642 - ₹ 741	9,463	-	682.38

There are no options granted during the current year and the weighted average fair value of stock options granted during the previous year was ₹ 3,304.31. The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	Year ended	
	30 June 2015	30 June 2014
Weighted average share price	-	396.18
Exercise Price	-	₹ 2.00
Expected Volatility	-	30.80%
Historical Volatility	-	30.80%
Life of the options granted (vesting and exercise period) in years	-	3.15 –3.21 Years
Expected dividends	-	₹ 8.00
Average risk-free interest rate	-	7.80%
Expected dividend rate	-	2.02%

The expected volatility was determined based on historical volatility data.

The Company has calculated the compensation cost based on the intrinsic value method i.e. the excess of market price of underlying equity shares on the date of the grant of options over the exercise price of the options granted to employees under the employee stock option schemes of the Company. The amount is recognized as deferred stock compensation cost and is amortized on a graded vesting basis over the vesting period of the options. Had the Company applied the fair value method for determining compensation cost, the impact on net income and earnings per share is provided below:

	Year ended	
	30 June 2015	30 June 2014
Net income – As reported	7,317.07	6,509.51
Add: Employee stock compensation under intrinsic value method	(15.39)	30.92
Less: Employee stock compensation under fair value method	(7.71)	39.12
Net income – Proforma	7,309.39	6,501.31
Earnings per share (₹) refer note 2.27		
Basic - As reported	52.09	46.59
- Proforma	52.03	46.53
Diluted - As reported	51.79	45.96
- Proforma	51.73	45.91

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.2 Reserves and Surplus

	As at	
	30 June 2015	30 June 2014
Capital redemption reserve		
Balance as per last financial statements	45.00	45.00
Add: movement during the year	-	-
	45.00	45.00
Securities premium account		
Balance as per last financial statements	1,933.97	1,863.83
Add: Exercise of stock option by employees	87.81	70.14
Less: Amount utilized for issuance of fully paid up bonus shares (refer note 2.1)	(140.57)	-
	1,881.21	1,933.97
Debenture redemption reserve		
Balance as per last financial statements	500.00	400.00
Add: amount transferred from surplus in the statement of profit and loss	-	100.00
Less: amount transferred to surplus in the statement of profit and loss on redemption of debentures	(500.00)	-
	-	500.00
Share options outstanding		
Balance as per last financial statements	206.92	278.42
Add: Options granted during the year	-	2.89
Less: Transferred to security premium on exercise of stock options	(85.74)	(74.39)
	121.18	206.92
Hedging reserve account (net of deferred tax) (refer note 2.33)		
Balance as per last financial statements	(210.28)	(488.52)
Add: Movement during the year (net)	169.60	278.24
	(40.68)	(210.28)
Foreign currency translation reserve		
Balance as per last financial statements	1,416.38	1,070.04
Add: Exchange difference during the year on net investment in non-integral operations	17.70	346.34
	1,434.08	1,416.38
General reserve		
Balance as per last financial statements	2,209.15	1,609.15
Add: amount transferred from surplus in the statement of profit and loss	650.00	600.00
	2,859.15	2,209.15
Surplus in the statement of profit and loss		
Balance as per last financial statements	13,301.04	8,305.19
Add: Profit for the year	7,317.07	6,509.51
Add: Transfer from debenture redemption reserve on redemption of debentures	500.00	-
Amount available for appropriation	21,118.11	14,814.70
Less: Appropriations		
Interim dividend [amount per share ₹ 30 (Previous year ₹ 10)]*	2,385.59	699.10
Proposed final dividend [including ₹ Nil (Previous year ₹ 1.17) paid for previous year] [amount per share ₹ Nil (Previous year ₹ Nil)]*	-	1.17
Total dividend	2,385.59	700.27
Corporate dividend tax [including ₹ Nil (Previous year ₹ 0.20) paid for previous year]	439.27	113.39
Transfer to general reserve	650.00	600.00
Transfer to debenture redemption reserve	-	100.00
Net surplus in the statement of profit and loss	17,643.25	13,301.04
	23,943.19	19,402.18

* not adjusted for bonus shares issued

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.3 Share application money pending allotment

	30 June 2015	30 June 2014
- number of shares proposed to be issued (adjusted for bonus shares issued)	84,680	1,197,896
- the amount of premium	Nil	7.53
- whether the Company has sufficient authorized share capital to cover the share capital amount on allotment of shares out of share application money	Yes	Yes
- Interest accrued on amount due for refund	Nil	Nil

Note: The Company expects to make the allotment during the quarter ended September 30, 2015.

2.4 Long term borrowings

	Non-current portion		Current maturities	
	30 June 2015	30 June 2014	30 June 2015	30 June 2014
(a) Secured				
Debentures				
8.80% Secured redeemable non convertible debentures of ₹ 10 Lacs each (repaid on 10 September 2014)	-	-	-	500.00
From banks				
Long term loans (refer note 1 below)	27.56	27.84	13.58	11.69
From others				
Finance lease obligations (refer note 2 below and note 2.26(i))	80.06	172.67	99.12	94.48
Others	-	-	-	0.76
(b) Unsecured				
From banks				
Long term loans (refer note 3 below)	58.00	-	10.11	-
From others				
Others (refer note 4 below)	2.27	0.13	1.58	4.65
	167.89	200.64	124.39	611.58
Amount disclosed under the head "other current liabilities" (note 2.8)			(124.39)	(611.58)
	167.89	200.64	-	-

Notes:

- The Group has availed of term loans of ₹ 41.14 crores (Previous year ₹ 39.53 crores) secured by hypothecation of vehicles of ₹ 90.27 crores (Previous year ₹ 76.91 crores) at interest rates ranging from 10.2% to 10.5%. The loans are repayable over a period of 3 to 5 years on a monthly rest.
- The Finance lease obligation are secured against network equipment and vehicles acquired by group on finance lease at interest rates ranging from 0% to 4%.
- Unsecured long term loan of ₹ 68.11 crores (Previous year Nil) from bank at interest rate of 2.95% is repayable on monthly rest till 31st December 2016.
- The other long term loan of ₹ 3.85 crores represents loan taken for purchases of plant and machinery (Previous year ₹ 4.78 crores) at interest rates ranging from 0% to 6.79%. The loans are repayable till May 2018 on quarterly/yearly rest.

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.5 Other long term liabilities

	As at	
	30 June 2015	30 June 2014
Income received in advance	547.87	587.38
Unrealized loss on forward covers	37.74	128.20
Other liabilities	28.96	20.17
	614.57	735.75

2.6 Long term provisions

	As at	
	30 June 2015	30 June 2014
Provision for employee benefits	210.64	194.36
	210.64	194.36

2.7 Short term borrowings

	As at	
	30 June 2015	30 June 2014
Unsecured		
Bank overdraft (refer note 1 below)	323.47	205.83
Entrusted Loan (refer note 2.37)	25.66	-
Other Loans (refer note 2 below)	6.35	-
	355.48	205.83

Notes:

1. The Group has availed bank line of credit at interest rates ranging from 1% to 15.39% which is repayable on demand.
2. Promissory note at effective interest rat of 4.05% repayable on July 6, 2015.

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.8 Trade payable and other current liabilities

	As at	
	30 June 2015	30 June 2014
Trade payables	624.63	467.75
Trade payables-related parties (refer note 2.29)	0.78	0.73
	625.41	468.48
Other current liabilities		
Current maturities of long term loans	124.39	611.58
Interest accrued but not due on borrowings	0.02	2.56
Unclaimed dividend	2.99	2.51
Advances received from customers	59.51	44.79
Advances received from customers-related parties (refer note 2.29)	2.41	-
Unrealized loss on forward cover	15.92	136.75
Capital accounts payables (includes supplier credit ₹ 488.17 Previous year ₹ 604.27)	777.17	763.69
Capital accounts payables-related parties (includes supplier credit ₹ 4.38 Previous year ₹ 28.24) (refer note 2.29)	6.87	32.26
Income received in advance	935.18	785.99
Income received in advance-related parties (refer note 2.29)	20.31	14.80
Accrued salaries and benefits		
Employee bonuses accrued	1,005.60	787.50
Other employee costs	479.94	457.19
Other liabilities		
Liabilities for expenses	2,348.35	2,118.72
Liabilities for expenses-related parties (refer note 2.29)	7.87	8.60
Supplier credit	1,041.28	788.30
Supplier credit-related parties (refer note 2.29)	9.54	15.65
Withholding and other taxes payable	390.42	339.13
Book Overdraft	2.85	15.28
Advance against sale of building-related parties (refer note 2.29)	-	180.00
	7,230.62	7,105.30

2.9 Short term provisions

	As at	
	30 June 2015	30 June 2014
Provision for employee benefits	660.89	508.47
Provision for warranties	1.23	1.27
Income taxes (refer note 1 below)	1,069.64	951.02
Wealth tax (refer note 2 below)	1.78	1.41
	1,733.54	1,462.17

Notes:

- Net of advance income tax of ₹ 5,723.32 crores (Previous year ₹ 4,009.68 crores)
- Net of advance wealth tax of ₹ 7.95 crores (Previous year ₹ 6.60 crores)

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.10 Fixed Assets (refer note 1(d),(e) and (f))

The changes in the carrying value of fixed assets for the year ended June 30, 2015

	Gross block				Accumulated depreciation / amortization				Net block		
	As at 1 July 2014	Additions	Deletions/ Adjustments	Translation exchange differences	As at 30 June 2015	As at 1 July 2014	Charge for the period	Deletions/ Adjustments	Translation exchange differences	As at 30 June 2015	As at 30 June 2014
Tangible Assets											
Freehold land	87.04	-	0.27	0.35	87.12	-	-	-	-	87.12	87.04
Leasehold land	164.72	119.57	11.60	-	272.69	13.89	2.70	1.97	-	258.07	150.83
Buildings	1,810.69	361.54	51.68	3.28	2,123.83	285.91	96.75	30.90	0.62	1,771.45	1,524.78
Plant and machinery	1,137.77	209.24	82.13	2.08	1,266.96	737.19	61.79	82.01	0.86	717.83	400.58
Office Equipment	221.09	27.43	5.44	(1.28)	241.80	181.15	15.46	5.39	(1.26)	189.96	39.94
Computers	1,597.76	308.42	14.58	(7.33)	1,884.27	1,315.77	114.85	14.57	(2.96)	1,413.09	281.99
Furniture and fittings	652.58	68.22	24.86	(5.22)	690.72	531.45	26.37	24.82	(4.40)	528.60	121.13
Vehicles - owned	86.47	23.94	11.96	-	98.45	35.80	17.26	7.32	0.01	45.75	50.67
- leased	2.51	-	2.00	-	0.51	1.95	0.07	1.59	-	0.43	0.56
Total (A)	5,760.63	1,118.36	204.52	(8.12)	6,666.35	3,103.11	335.25	168.57	(7.13)	3,262.66	2,657.52
Intangible assets											
Goodwill	4,852.40	-	-	103.28	4,955.68	158.65	-	-	3.77	4,793.26	4,693.75
Software	741.33	61.97	102.99	2.24	702.55	657.55	67.19	95.07	1.93	631.60	83.78
Intellectual property rights	19.48	-	-	(0.66)	18.82	10.59	1.31	-	(0.45)	11.45	8.89
Total (B)	5,613.21	61.97	102.99	104.86	5,677.05	826.79	68.50	95.07	5.25	805.47	4,786.42
Total (A)+(B)	11,373.84	1,180.33	307.51	96.74	12,343.40	3,929.90	403.75	263.64	(1.88)	8,275.27	7,443.94

Notes:

- Gross block, additions and deletion to fixed assets include ₹ Nil crores, ₹ 0.63 crores and ₹ 17.03 crores respectively and accumulated depreciation and charge for the year of ₹ Nil crores and ₹ 1.76 crores respectively in respect of the Company's share of fixed assets on account of proportionate consolidation of joint ventures. (refer note 2.35).
- Capital work in progress includes ₹ 37.52 crores interest on negotiated extended interest bearing suppliers credit and during the period ₹ 25.51 crores have been capitalised by the Company.

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Based on technical evaluation, the Group reassessed and revised the useful lives of assets with effect from July 1, 2014.

The existing and revised useful lives are as below:

Category of Assets	Existing Useful Life (Years)	Revised Useful Life (Years)
Buildings	20	20
Plant and machinery (including air conditioners, electrical installations and aircraft)	4-17	10-17
Office Equipments	4	5
Computers	3	4-5
Furniture and fixtures	4	7
Vehicles - owned	5	5

Had the Company continued with the previously assessed useful lives, charge for depreciation for the year ended June 30, 2015 would have been higher by ₹ 237.53 crores for assets held at July 1, 2014

The changes in the carrying value of fixed assets for the year ended June 30, 2014

	Gross block			Accumulated depreciation / amortization				Net block			
	As at 1 July 2013	Additions	Deletions/ Adjustments	Translation exchange differences	As at 30 June 2014	As at 1 July 2013	Charge for the period	Deletions/ Adjustments	Translation exchange differences	As at 30 June 2014	As at 30 June 2013
Tangible Assets											
Freehold land	86.95	-	-	0.09	87.04	-	-	-	-	-	86.95
Leasehold land	169.35	0.02	4.65	-	164.72	12.84	1.88	0.83	-	13.89	156.51
Buildings	1,286.32	531.69	11.69	4.37	1,810.69	216.16	74.59	7.25	2.41	285.91	1,070.16
Plant and machinery	922.51	244.88	33.82	4.20	1,137.77	635.55	132.09	33.76	3.31	737.19	286.96
Office Equipment	248.32	16.13	45.01	1.65	221.09	200.40	24.24	44.91	1.42	181.15	47.92
Computers	1,495.78	168.76	101.06	34.28	1,597.76	1,125.97	267.93	100.49	22.36	1,315.77	369.81
Furniture and fittings	625.15	66.85	49.97	10.55	652.58	508.19	63.94	49.92	9.24	531.45	116.96
Vehicles - owned	76.91	18.01	8.45	-	86.47	23.58	16.12	3.90	-	35.80	53.33
- leased	12.12	-	9.61	-	2.51	8.18	1.28	7.51	-	1.95	3.94
Total (A)	4,923.41	1,046.34	264.26	55.14	5,760.63	2,730.87	582.07	248.57	38.74	3,103.11	2,192.54
Intangible assets											
Goodwill	4,586.89	-	-	265.51	4,852.40	153.58	-	-	5.07	158.65	4,433.32
Software	673.37	55.44	0.51	13.03	741.33	555.72	91.28	0.20	10.75	657.55	117.65
Intellectual property rights	11.55	6.17	-	1.76	19.48	2.52	7.51	-	0.56	10.59	9.03
Total (B)	5,271.81	61.61	0.51	280.30	5,613.21	711.82	98.79	0.20	16.38	826.79	4,560.00
Total (A)+(B)	10,195.22	1,107.95	264.77	335.44	11,373.84	3,442.69	680.86	248.77	55.12	3,929.90	6,752.54

Notes :

- Gross block, additions and deletion to fixed assets include ₹ 16.4 crores, ₹ 0.34 crores and ₹ Nil crores respectively and accumulated depreciation and charge for the year of ₹ 7.21 crores and ₹ 1.81 crores respectively in respect of the Company's share of fixed assets on account of proportionate consolidation of joint ventures. (refer note 2.35)
- Capital work in progress includes ₹ 28.76 crores interest on negotiated extended interest bearing suppliers credit and during the period ₹ 17.59 crores have been capitalised by the Company.

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.11 Investments

	As at	
	30 June 2015	30 June 2014
Non-current investments – at cost		
Investment in Associates (Trade and unquoted) 10,000,000 equity shares (Previous year 10,000,000 equity shares) of \$1 each in Statestreet HCL Holding UK Limited	96.94	55.40
Other Investments Morado Venture Partners II, L.P. (refer note 1 below) Less: Share of loss in LLP	10.18 (0.31)	- -
	9.87	-
Aggregate amount of non-current investments	106.81	55.40
Current investments		
(Non trade and quoted) Investment in bonds and certificate of deposits (refer note 2 below)	-	212.04
(Non trade and unquoted) Investment in mutual funds (refer note 3 below)	762.58	394.25
Aggregate amount of current investments	762.58	606.29

Notes:

- During the year ended June 30, 2015, the company through its wholly owned subsidiary has invested in limited liability partnership.
- The details of investments in bonds and certificate of deposits are provided below:

Current – non trade and quoted

	Face Value	Balance as at 30 June 2015		Balance as at 30 June 2014	
		Units	Amount	Units	Amount
Bonds					
Indian Railway Finance 6% 2015 (Series 68)	100,000	-	-	5,000	50.00
Certificates of deposit					
State Bank of Mysore	100,000	-	-	10,000	98.13
State Bank of Hyderabad	100,000	-	-	6,500	63.91
Total			-		212.04
Market value			-		212.08

3. Details of current investments in mutual funds (non trade and unquoted)

	Face Value	Balance as at 30 June 2015		Balance as at 30 June 2014	
		Units	Amount	Units	Amount
Growth Fund					
ICICI Prudential Liquid Super Inst Plan	100	7,014,913	146.93	3,836,633	73.92
Birla Sunlife Cash Plus - Growth	100	4,936,936	111.33	-	-
TATA Liquid Fund - Plan A	1,000	442,364	115.59	44,577	10.64
HDFC Liquid Fund	10	51,918,756	146.06	38,784,913	99.47
SBI Premier Liquid Fund Super IP	1,000	546,129	122.33	328,604	67.20
UTI Liquid Fund - Cash Plan	1,000	518,687	120.34	282,876	60.37
DSP BlackRock Liquidity Fund - IP	1,000	-	-	442,860	82.65
Total			762.58		394.25

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.12 Deferred tax assets (net)

	As at	
	30 June 2015	30 June 2014
Deferred tax assets:		
Business losses *	42.71	51.97
Provision for doubtful debts	96.01	118.30
Accrued employee costs	403.87	293.42
Unrealized loss on derivative financial instruments	9.71	51.97
Depreciation and amortization	46.56	105.01
Employee stock compensation	21.62	38.30
Others	214.62	222.55
Gross deferred tax assets (A)	835.10	881.52
Deferred tax liabilities:		
Depreciation and amortization	8.51	1.30
Others	36.88	65.26
Gross deferred tax liabilities (B)	45.39	66.56
Net deferred tax assets (A-B)	789.71	814.96

*The Group's subsidiaries have recognized deferred tax assets on such portion of the carry forward business losses which can be utilized against profits within the limit and carryover period permitted under laws of respective jurisdictions.

2.13 Long term loans and advances

	As at	
	30 June 2015	30 June 2014
Unsecured, considered good		
Prepaid expenses - related parties (refer note 2.29)	0.05	-
Capital advances	114.27	123.49
Capital advances - related parties (refer note 2.29)	-	0.02
Security deposits	168.95	149.51
Others		
MAT credit entitlement	772.46	460.25
Prepaid expenses	87.82	83.07
Loans and advances to employees (including related party, refer note 2.29)	15.01	0.07
Finance lease receivables (refer note 2.26 (iii))	279.99	512.67
Other loan & advances	3.64	-
	1,442.19	1,329.08

2.14 Other non-current assets

	As at	
	30 June 2015	30 June 2014
Unsecured considered good unless otherwise stated		
Deferred cost	758.00	375.13
Bank deposits more than 12 months (refer note 1 below)	0.09	0.19
Unrealized gain on derivative financial instruments	0.61	-
Others	273.67	100.41
	1,032.37	475.73

Note:

- Pledged with banks as security for guarantees ₹ 0.09 crores (Previous year ₹ 0.19 crores)

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.15 Inventories

	As at	
	30 June 2015	30 June 2014
Inventories		
Stock in trade [including in transit ₹ 24.49 crores (Previous year ₹ 1.34 crores)]	155.73	121.42
Stores and spares	1.88	0.88
	157.61	122.30

2.16 Trade receivables (Unsecured)

	As at	
	30 June 2015	30 June 2014
(a) Considered good unless stated otherwise, outstanding for a period exceeding six months from the date they are due for payment		
Unsecured considered good	294.05	22.31
Unsecured considered doubtful	277.73	287.71
	571.78	310.02
Provision for doubtful receivables	(277.73)	(287.71)
Total (a)	294.05	22.31
(b) Other receivables		
Unsecured considered good	6,244.64	5,660.53
Unsecured considered doubtful	4.91	89.13
	6,249.55	5,749.66
Provision for doubtful receivables	(4.91)	(89.13)
Total (b)	6,244.64	5,660.53
Total (a)+(b) (refer note 1 below)	6,538.69	5,682.84

Note:

- Includes receivables from related parties amounting to ₹ 154.84 crores (Previous year ₹ 115.44 crores)

2.17 Cash and bank balances

	As at	
	30 June 2015	30 June 2014
(a) Cash and cash equivalent		
Balance with banks		
- in current accounts	1,139.81	910.32
- deposits with original maturity of less than 3 months	20.73	0.94
Cheques in hand	55.71	39.89
Remittances in transit	119.28	73.57
Unclaimed dividend account	2.99	2.51
	1,338.52	1,027.23
(b) Other bank balances		
Deposits with original maturity of more than 3 months but up to 12 months (refer note 1 below)	8,447.71	7,780.07
	9,786.23	8,807.30

Note:

- Pledged with banks as security for guarantees ₹ 0.11 crores (Previous year ₹ 0.94 crores)

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.18 Short-term loans and advances

	As at	
	30 June 2015	30 June 2014
Unsecured, considered good		
Loans and advances to related parties (refer note 2.29)	2.96	6.34
Others		
Security deposits	48.75	68.44
Security deposits - related parties (refer note 2.29)	0.45	-
Inter corporate deposits with HDFC Limited	1,193.00	571.00
Advances to suppliers	49.67	35.18
Prepaid expenses	339.00	263.01
Prepaid expenses - related parties (refer note 2.29)	1.86	5.39
Loans and advances to employees	72.73	57.98
Finance lease receivables (refer note 2.26 (iii))	175.10	359.63
Service tax receivable	67.24	50.27
Payment for investment in mutual fund - units allotted on 01-July-2014	-	59.00
Entrusted loan receivable (refer note 2.37)	25.66	-
Other loans and advances	212.42	113.69
	2,188.84	1,589.93
Unsecured, considered doubtful		
Loans and advances to employees	49.01	46.19
Loans and advances to others	7.02	8.88
	56.03	55.07
Less: Provision for doubtful advances	(56.03)	(55.07)
	2,188.84	1,589.93

2.19 Other current assets

	As at	
	30 June 2015	30 June 2014
Unbilled revenue	2,888.59	2,003.76
Unbilled revenue-related parties (refer note 2.29)	19.36	14.14
Deferred cost	515.79	286.69
Interest receivable	100.24	116.49
Advance tax (refundable)	68.50	94.35
Unrealized gain on derivative financial instruments	20.37	5.54
	3,612.85	2,520.97

2.20 Revenue from operations

	Year ended	
	30 June 2015	30 June 2014
Sale of services	35,174.81	30,784.11
Sale of hardware and software	1,526.41	1,359.55
	36,701.22	32,143.66

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.21 Other income

	Year ended	
	30 June 2015	30 June 2014
Interest income		
- On fixed deposits	800.25	529.08
- On investment	2.05	4.70
- Others	11.90	11.08
Profit on sale of current investments	36.80	58.56
Provision no longer required written back	24.88	-
Profit on sale of fixed assets (refer note 1 below)	155.83	47.82
Exchange differences (net)	73.47	-
Employee stock compensation expense written back (net)	15.39	-
Miscellaneous income	18.89	26.16
	1,139.46	677.40

Note:-

- Net of loss on sale of fixed assets ₹ 0.90 crores (Previous year ₹ 0.56 crores)

2.22 Changes in inventories of traded goods

	Year ended	
	30 June 2015	30 June 2014
Opening stock	120.08	228.14
Closing stock	(155.73)	(120.08)
	(35.65)	108.06

2.23 Employee benefit expense

	Year ended	
	30 June 2015	30 June 2014
Salaries, wages and bonus	15,441.73	12,964.74
Contribution to provident fund and other employee funds	2,212.05	1,843.56
Staff welfare expenses	72.65	67.14
Employee stock compensation expense	-	30.92
	17,726.43	14,906.36

2.24 Finance cost

	Year ended	
	June 30 2015	June 30 2014
Interest		
- on debentures	8.56	44.02
- on loans from banks	9.01	10.31
- on leased assets	0.05	0.33
- others	52.69	38.18
Exchange differences to the extent considered as an adjustment to borrowing costs	3.58	-
Bank charges	17.34	21.66
	91.23	114.50

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.25 Other expenses

	Year ended	
	30 June 2015	30 June 2014
Rent	387.66	358.07
Power and fuel	264.88	241.99
Insurance	30.96	32.69
Repairs and maintenance		
- Plant and machinery	71.60	76.98
- Buildings	53.73	76.11
- Others	172.17	119.82
Communication costs	288.33	314.35
Books and periodicals	17.12	26.03
Travel and conveyance	1,676.91	1,402.05
Business promotion	56.18	43.37
Legal and professional charges	240.15	250.33
Outsourcing costs	5,096.64	4,206.52
Software license fee	180.59	210.73
Software tools	54.93	21.22
License and transponder fee	26.95	27.63
Printing and stationery	21.40	23.27
Rates and taxes	128.24	151.93
Provision for doubtful advances / advances written off	8.83	0.49
Donations	1.06	2.88
CSR Expenditure	6.22	-
Recruitment, training and development	204.18	180.95
Provision for doubtful debts / bad debts written off	-	113.12
Share of loss in limited liability partnership	0.31	-
Loss on sale of long term investment in joint venture (refer note 2.35)	13.49	-
Exchange differences (net)	-	44.06
Miscellaneous expenses	228.95	248.44
	9,231.48	8,173.03

2.26 Leases
i) Finance lease : In case of assets taken on lease

The Group has acquired networking equipments and vehicles on finance leases. Total minimum lease payments and the maturity profile of finance leases at the balance sheet date, the element of interest included in such payments, and the present value of the minimum lease payments are as follows:

	Total minimum lease payments outstanding as on 30 June 2015	Interest included in minimum lease payments	Present value of minimum lease payments
Not later than one year	102.50	3.38	99.12
	(100.41)	(5.93)	(94.48)
Later than one year and not later than 5 years	81.08	1.02	80.06
	(177.07)	(4.40)	(172.67)
	183.58	4.40	179.18
	(277.48)	(10.33)	(267.15)

Previous year figures are in brackets.

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

ii) Operating lease

The Group's significant leasing arrangements are in respect of operating leases for office spaces and accommodation for its employees. The aggregate lease rental expense recognized in the statement of profit and loss for the year amounts to ₹ 359.79 crores (Previous year ₹ 333.80 crores). The rent equalization reserve amount for non-cancellable operating lease payable in future years and accounted for by the Group is ₹ 142.88 crores (Previous year ₹ 131.27 crores). Future minimum lease payments and the payment profile of non-cancellable operating leases are as follows:

	Year ended	
	30 June 2015	30 June 2014
Not later than one year	357.23	279.43
Later than one year and not later than 5 years	988.63	752.64
Later than five years	711.93	629.89
	2,057.79	1,661.96

iii) Finance lease : In case of assets given on lease

The Group has given networking equipments to its customers on finance lease basis. The future lease receivables in respect of assets given on finance lease are as follows:

	Total minimum lease payments receivable as on 30 June 2015	Interest included in minimum lease payments receivable	Present value of minimum lease payments receivable
Not later than one year	203.10	28.01	175.09
	(401.97)	(42.33)	(359.64)
Later than one year and not later than 5 years	291.02	32.41	258.61
	(567.03)	(64.82)	(502.21)
Later than 5 years	25.66	4.28	21.38
	(11.66)	(1.21)	(10.45)
	519.78	64.70	455.08
	(980.66)	(108.36)	(872.30)

Previous year figures are in brackets.

2.27 Earnings per Share

The computation of earnings per share is as follows:

	Year ended	
	30 June 2015	30 June 2014
Net profit as per Statement of profit and loss for computation of EPS	7,317.07	6,509.51
Weighted average number of equity shares outstanding in calculating Basic EPS*	1,404,808,456	1,397,233,894
Dilutive effect of stock options outstanding*	8,142,875	18,994,532
Weighted average number of equity shares outstanding in calculating dilutive EPS*	1,412,951,331	1,416,228,426
Nominal value of equity shares (in ₹)	2.00	2.00
Earnings per equity share (in ₹)		
- Basic	52.09	46.59
- Diluted	51.79	45.96

* adjusted for bonus issue. Refer Note 2.1

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.28 Segment Reporting

Identification of segments

The Group's operating businesses are organized and managed according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services and is subject to risks and returns that are different from other strategic business units.

(i) Business segments

The Group's operations predominantly relate to providing a range of IT and Business process outsourcing (BPO) services targeted at Global 2000 companies spread across USA, Europe and the Rest of the World. IT Services include software services and IT infrastructure management services. Within software services, the Group provides application development and maintenance, enterprise application, next generation SAAS (Software As A Service) application services and engineering and research and development (R&D) services to several global customers. Infrastructure management services involve managing customers' IT assets effectively. The Group's 'Enterprise of the Future' (EOF) framework helps customers not just run IT effectively but also migrate to next generation IT. EOF involves services around cloud, next generation data centres, business productivity services, integrated service management layer and integrated application development & operations services. Business process outsourcing services include the traditional contact centre and help desk services and next generation services around platform BPO and BPAAS (Business Process As A Service) delivered through a strong global delivery model. The Group's trademarked EFAAS (Enterprise Function As A Service) helps customers reduce business cost rather than just the process cost as was the case in traditional BPO.

The Chairman of the Group, who is the Chief Strategy Officer, evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by types of services provided by the Group and geographic segmentation of customers. Accordingly, revenue from service segments comprises the primary basis of segmental information set out in these financial statements.

(ii) Geographic segments

Segment revenue from customers by geographical areas is stated based on the geographical location of the customer and segment assets by the geographical location of the assets.

The principal geographical segments are classified as America, Europe, India and Others. Europe comprises business operations conducted by the Group in the United Kingdom, Sweden, Germany, Italy, Belgium, Netherlands, Northern Ireland, Finland, Poland and Switzerland. Since services provided by the Group within these European entities are subject to similar risks and returns, their operating results have been reported as one segment, namely Europe. India has been identified as a separate segment. All other customers, mainly in Japan, Australia, New Zealand, Singapore, Malaysia, Israel, South Korea, China, Czech Republic, Macau, UAE, Portugal, Russia and Hong Kong are included in Others.

(iii) Segment accounting policies

The accounting principles consistently used in the preparation of the financial statements and consistently applied to record revenue and expenditure in individual segments are as set out in note 1 to the financial statements on significant accounting policies. The accounting policies in relation to segment accounting are as under:

a) Segment assets and liabilities

Assets and liabilities are not identified to any reportable segments, since these are increasingly used interchangeably across segments and consequently, the management believes that it is not practicable or meaningful to provide segment disclosures relating to total assets and liabilities.

b) Segment revenue and expenses

Segment revenue is directly attributable to the segment and segment expenses have been allocated to various segments on the basis of specific identification. However, segment revenue does not include other income. Segment expenses do not include premium amortized on bonds, diminution allowance in respect of current and trade investments, other than temporary diminution in the value of long term investments and finance cost.

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Financial information about the business segments for the year ended 30 June 2015 is as follows:

	Software services	Business process outsourcing services	IT Infrastructure services	Inter segment transactions/ eliminations	Total
Revenue					
- External revenue	22,179.16	1,697.47	12,824.59	-	36,701.22
- Internal revenue	-	-	-	-	-
Total	22,179.16	1,697.47	12,824.59	-	36,701.22
Segment results	5,019.60	169.33	3,016.80	-	8,205.73
Unallocated corporate expenses					(136.90)
Finance cost					(91.23)
Other income					325.26
Interest income					814.20
Net profit before taxes					9,117.06
Tax expense					(1,815.11)
Share of loss of associates					39.90
Minority Interest					(24.78)
Net profit after taxes					7,317.07
Significant non-cash adjustments					
Depreciation	224.62	34.34	141.78	-	400.74
Unallocated corporate depreciation	-	-	-	-	3.01
Total					403.75
Provision for doubtful debts & advances / Bad debts & advances written off					(16.05)

Financial information about the business segments for the year ended 30 June 2014 is as follows:

	Software services	Business process outsourcing services	IT Infrastructure services	Inter segment transactions/ eliminations	Total
Revenue					
- External revenue	19,707.36	1,386.19	11,050.11	-	32,143.66
- Internal revenue	-	-	-	-	-
Total	19,707.36	1,386.19	11,050.11	-	32,143.66
Segment results	4,810.40	74.12	2,633.14	-	7,517.66
Unallocated corporate expenses					(163.22)
Finance cost					(114.50)
Other income					132.53
Interest income					544.86
Net profit before taxes					7,917.33
Tax expense					(1,409.57)
Share of loss of associates					20.06
Minority interest					(18.31)
Net profit after taxes					6,509.51
Significant non-cash adjustments					
Depreciation	370.91	55.69	250.89	-	677.49
Unallocated corporate depreciation	-	-	-	-	3.37
Total					680.86
Provision for doubtful debts & advances / Bad debts & advances written off					113.61

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Segment revenue from customers by geographic area based on location of the customers is as follows:

	Year ended	
	30 June 2015	30 June 2014
America	20,139.99	16,858.55
Europe	10,065.24	9,257.97
India	1,456.62	1,488.43
Others	5,039.37	4,538.71
Total	36,701.22	32,143.66

Carrying value of segment assets by geographic area based on geographic location of assets is as follows:

	Carrying amount of segment assets	
	30 June 2015	30 June 2014
America	6,704.81	4,932.37
Europe	8,592.14	7,788.73
India	17,777.93	15,414.62
Others	2,169.79	1,843.97
Total	35,244.67	29,979.69

Total Cost incurred during the period to acquire segment fixed assets (tangible and intangible) by geographical location of the assets is as follows:

	Addition to segment fixed assets	
	30 June 2015	30 June 2014
America	62.34	51.60
Europe	67.25	46.46
India	1,061.11	596.34
Others	17.46	25.16
Total	1,208.16	719.56

2.29 Related Parties
a) Related parties where control exists
Employee benefit trusts

HCL Technologies Limited Employees Trust
 Axon Group Plc Employee Benefit Trust No. 3
 Axon Group Plc Employee Benefit Trust No. 4
 HCL South Africa Share Ownership Trust

b) Related parties with whom transactions have taken place during the year
Jointly controlled entities

Axon Puerto Rico Inc., Puerto Rico

Associates

Statestreet HCL Services (India) Private Limited
 Statestreet HCL Services(Phillipines) INC.

Key Management Personnel

Mr. Shiv Nadar, Chairman and Chief Strategy Officer
 Mr. Anant Gupta, President and Chief Executive Officer
 Mr. Anil Chanana, Chief Financial Officer
 Mr. Manish Anand, Company Secretary

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Non-Executive & Non-Independent Directors

Ms. Roshni Nadar Malhotra
Mr. Sudhindar Krishan Khanna

Non-Executive & Independent Directors

Mr. Amal Ganguli
Mr. Keki Mistry
Mr. Ramanathan Srinivasan
Ms. Robin Ann Abrams
Dr. Sosale Shankara Sastry
Mr. Srikant Madhav Datar (ceased to be a Director of the Company w.e.f. December 4, 2014)
Mr. Subramanian Madhavan

Others (Significant influence)

Vama Sundari Investments (Delhi) Private Limited
HCL Corporation Private Limited
HCL Infosystems Limited
HCL Learning Limited
Naksha Enterprises Private Limited
HCL Infotech Limited
Shiv Nadar Foundation
HCL Holding Private Limited
HCL Insys. Pte. Limited, Singapore
Digilife Distribution and Marketing Services Limited
HCL Services Limited
HCL TalentCare Pvt. Ltd. (formerly known as "Slocum Management Consultancy Private Limited")
SSN Investments (Pondi) Private Limited
Vama Sundari Investments (Chennai) Private Limited
Redington (India) Limited *
Redington Distribution Pte Ltd, Singapore *
Cadensworth (India) Limited, India *
Ensure Support Services (India) Limited *
Easy Access Financial Services Limited *
Indian School of Business #

* Ceased to be related party w.e.f. 10 November 2014

Ceased to be related party w.e.f. 30 August 2014

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Transactions with related parties during the normal course of business	Jointly controlled entities		Others	
	Year ended 30 June		Year ended 30 June	
	2015	2014	2015	2014
Sale of materials and services	32.17	25.47	149.50	158.17
– HCL Infosystems Limited	-	-	16.65	52.20
– Axon Puerto Rico Inc.	8.86	14.78	-	-
– HCL Infotech Limited	-	-	131.68	104.83
– Statestreet HCL Services (India) Private Limited	15.23	8.99	-	-
– Statestreet HCL Services (Phillipines) Inc.	8.08	-	-	-
– Others	-	1.70	1.17	1.14
Purchase of materials and services	12.22	13.03	63.83	108.80
– HCL Infosystems Limited	-	-	14.88	89.92
– Axon Puerto Rico Inc.	12.22	12.36	-	-
– Redington (India) Limited	-	-	10.60	-
– HCL Services Limited	-	-	12.95	4.80
– Cadensworth (India) Limited, India	-	-	8.70	-
– Digilife Distribution and Marketing Services Limited	-	-	0.18	12.56
– HCL TalentCare Pvt. Ltd.	-	-	15.86	-
– Others	-	0.67	0.66	1.52
Payment for use of facilities	-	-	17.04	2.43
– HCL Infosystems Limited	-	-	3.31	1.64
– SSN Investments (Pondi) Private Limited	-	-	10.72	-
– HCL Corporation Private Limited	-	-	0.79	0.79
– Others	-	-	2.22	-
Purchase of capital equipments	-	-	24.42	37.11
– HCL Infosystems Limited	-	-	3.07	27.11
– Redington Distribution Pte Ltd, Singapore	-	-	18.31	-
– HCL Insys. Pte. Limited, Singapore	-	-	0.43	9.52
– Others	-	-	2.61	0.48
Dividend Paid	-	-	1,441.19	428.98
– Vama Sundari Investments (Delhi) Private Limited	-	-	1,020.16	304.95
– HCL Holding Private Limited	-	-	406.47	119.55
– Shiv Nadar Foundation	-	-	14.56	4.48
Others	-	-	154.73	46.66
– SSN Investments (Pondi) Private Limited*	-	-	153.81	-
– Vama Sundari Investment (Pondi) Private Limited*	-	-	-	46.66
– Indian School of Business	-	-	0.30	-
– HCL South Africa Share Ownership Trust	-	-	0.62	-

* Gain on sale of building

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

Transactions with Key Managerial personnel during the year	Year ended 30 June	
	2015	2014
Chairman and Chief Strategy Officer		
i) Remuneration	16.63	16.78
Vice-Chairman and Joint Managing Director (upto 31st July 2013)		
i) Remuneration	-	1.47
Chief Executive Officer		
i) Remuneration	28.66	4.22
ii) Loan provided	15.00	-
iii) Loan outstanding at end of the year	15.00	-
iv) Interest received by company on loan provided	0.72	-
v) Dividend paid	0.24	0.10
vi) Stock options		
– Exercised – No's (options)	-	6,400
– Exercise price – ₹	-	8
Chief Financial Officer		
i) Remuneration	9.72	4.41
ii) Dividend paid	0.21	0.09
iii) Stock options		
– Exercised – No's (options)	3,360	1,120
– Exercise price – ₹	8	8
Company Secretary		
i) Remuneration	0.54	0.48
ii) Dividend paid	0.01	-
iii) Stock options		
– Exercised – No's (options)	960	-
– Exercise price – ₹	8	-

Transactions with Directors during the year	Year ended 30 June	
	2015	2014
Commission & other benefits to Directors (includes sitting fees)	6.62	3.57

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

c) Outstanding balances

	Jointly controlled entities		Others	
	As at		As at	
	30 June 2015	30 June 2014	30 June 2015	30 June 2014
Trade receivables	3.54	5.63	151.30	109.81
– HCL Infosystems Limited	-	-	3.62	37.95
– Axon Puerto Rico Inc.	-	3.95	-	-
– HCL Infotech Limited	-	-	146.94	71.86
– Statestreet HCL Services (India) Private Limited	3.54	1.68	-	-
– Others	-	-	0.74	-
Capital Advance	-	-	-	0.02
– HCL Infosystems Limited	-	-	-	0.02
Unbilled Revenue	9.86	4.22	9.50	9.92
– HCL Infosystems Limited	-	-	9.06	9.92
– Statestreet HCL Services (Phillipines) INC.	7.35	1.51	-	-
– Statestreet HCL Services (India) Private Limited	2.51	2.59	-	-
– Others	-	0.12	0.44	-
Loan and Advances	2.02	0.08	3.30	6.26
– HCL Infosystems Limited	-	-	1.00	6.10
– HCL Corporation Private Limited	-	-	0.22	0.16
– Statestreet HCL Services (Phillipines) INC.	1.60	0.03	-	-
– Statestreet HCL Services (India) Private Limited	0.42	0.05	-	-
– Others	-	-	2.08	-
Capital Accounts Payable	-	-	6.87	32.26
– HCL Infosystems Limited	-	-	6.62	29.22
– Others	-	-	0.25	3.04
Supplier Credit	-	-	9.54	15.65
– HCL Infosystems Limited	-	-	5.70	4.63
– Digilife Distribution and Marketing Services Limited	-	-	0.86	11.02
– HCL Services Limited	-	-	2.13	-
– Others	-	-	0.85	-
Trade payables and other current liabilities	0.01	1.65	31.37	202.48
– HCL Infosystems Limited	-	-	6.66	9.22
– SSN Investment(Pondi) Private Limited *	-	-	-	180.00
– HCL Infotech Limited	-	-	18.22	12.30
– Statestreet HCL Services (Phillipines) INC.	0.01	0.81	-	-
– Statestreet HCL Services (India) Private Limited	-	0.84	-	-
– HCL TalentCare Pvt. Ltd.	-	-	5.15	-
– Others	-	-	1.34	0.96

* Advance against sale of building

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.30 Research and Development Expenditure

	Year ended	
	30 June 2015	30 June 2014
Revenue	181.77	152.73
Capital	–	–
	181.77	152.73

2.31 Commitments and Contingent Liabilities

a)		As at	
		30 June 2015	30 June 2014
	i) Capital and Other Commitments		
	Capital commitments		
	Estimated amount of unexecuted capital contracts (net of advances)	582.70	903.94
	ii) Contingent Liabilities		
	Others	0.63	6.39
		583.33	910.33

The amounts shown in the item above represent best estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Group or the claimants as the case may be and therefore cannot be predicted accurately. The Group engages reputed professional advisors to protect its interest and has been advised that it has strong legal positions against such disputes.

- b) The Group and its various subsidiaries are required to comply with the local transfer pricing regulations, which are contemporaneous in nature. The Group appoints independent consultants annually for conducting a transfer pricing studies to determine whether transactions with associate enterprises are undertaken, during the financial year, on an arms length basis. Adjustments, if any, arising from the transfer pricing studies in the respective jurisdictions will be accounted for when the study is completed for the current financial year. The management is of the opinion that its international transactions are at arms length so that the outcome of the studies to corroborate compliance with legislation will not have any material adverse impact on the financial statements.

2.32 Sale of Receivables

The Group has revolving accounts receivables based facilities of ₹ 795.63 crores permitting it to sell certain accounts receivables to banks on a non-recourse basis in the normal course of business. The aggregate maximum capacity utilized by the Group at any time during the year ended 30 June 2014 and 2015 was ₹ 244.15 crores and ₹ 196.19 crores, respectively. Gains or losses on sale are recorded at the time of transfer of these accounts receivables and are immaterial. The Group has retained servicing obligations, which are limited to collection activities related to the non-recourse sales of accounts receivables. As of June 30, 2014 and 2015, the Group had outstanding service obligation of Nil and ₹ 2.76 crores respectively.

2.33 Derivative Financial Instruments and Hedge Accounting**(a) Foreign currency forward and option contracts**

The Group is exposed to foreign currency fluctuations on foreign currency assets / liabilities and forecast cash flows denominated in foreign currency. The use of derivatives to hedge foreign currency forecast cash flows is governed by the Group's strategy, which provides principles on the use of such forward contracts and currency options consistent with the Group's Risk Management Policy. The counterparty in these derivative instruments is a bank and the Group considers the risks of non-performance by the counterparty as insignificant. The Group does not use forward covers and currency options for speculative purposes.

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

The following table presents the aggregate contracted principal amounts of the Group's derivative contracts outstanding:

Self covers	As at 30 June	
	2015	2014
Foreign Currency	Rupee equivalent (₹ in Crores)	
USD / INR	3,173.97	3,803.23
GBP / INR	10.00	123.15
EURO / INR	88.97	300.07
CHF / INR	6.84	-
SEK / INR	11.59	-
EURO / USD	267.70	265.46
GBP / USD	110.05	-
NOK / USD	118.12	-
MXN / USD	26.77	-
JPY / USD	15.60	-
RUB / USD	21.18	-
AUD / USD	62.47	67.87
CHF / USD	75.55	47.35
ZAR / USD	63.46	13.63
SEK / USD	42.77	157.74
	4,095.04	4,778.50
Buy covers	As at 30 June	
	2015	2014
Foreign Currency	Rupee equivalent (₹ in Crores)	
JPY / USD	-	14.85
SEK / USD	13.13	71.65
CAD / USD	64.23	14.09
MYR / USD	26.99	38.43
GBP / USD	299.45	485.42
CHF / USD	34.19	-
SGD / USD	20.80	26.52
	458.79	650.96
Options	As at 30 June	
	2015	2014
	Rupee equivalent (₹ in Crores)	
Put Options		
USD / INR	12.73	-
Range Forward		
USD / INR	3,336.72	1,508.75
GBP / INR	543.77	302.75
EURO / INR	663.65	313.22
AUD/INR	67.51	16.97
Seagull		
USD / INR	182.04	-
EURO / INR	30.61	-
	4,837.03	2,141.69

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

The following table summarizes the activity in the hedging reserves related to all derivatives classified as cash flow hedges during the years ended 30 June 2015 and 2014:

	Year ended 30 June	
	2015	2014
(Loss)/Gain as at the beginning of the year	(261.33)	(631.27)
Unrealized loss on cash flow hedging derivatives during the year	121.67	(174.63)
Net losses reclassified into net income on occurrence of hedged transactions	89.27	544.57
Loss as at the end of the year (refer note 2 below)	(50.39)	(261.33)
Deferred tax	9.71	51.05
Hedging reserve account (net of deferred tax)	(40.68)	(210.28)

Notes:-

- As of the balance sheet date, the Group's net foreign currency exposure that is not hedged is ₹ 1,145.66 crores (Previous year ₹ 1652.34 crores).
- At 30 June 2015, the estimated net amount of existing loss that is expected to be reclassified into the income statement within the next twelve months is ₹ 12.88 crores (Previous year loss of ₹ 132.89 crores).

2.34 Employee Benefit Plans

The Group has calculated the various benefits provided to employees as shown below:

A. Defined Contribution Plans and State Plans

Superannuation Fund

Employer's contribution to Employees State Insurance

Employer's contribution to Employee Pension Scheme

During the year the Company and its subsidiaries in India has recognized the following amounts in the statement of profit and loss :-

	Year ended 30 June	
	2015	2014
Superannuation Fund	1.78	2.02
Employer's contribution to Employees State Insurance	3.76	3.64
Employer's contribution to Employee's Pension Scheme	74.89	42.49
Total	80.43	48.15

The Group has contributed ₹ 266.12 crores (previous year ₹ 255.89 crores) towards other foreign defined contribution plans.

B. Defined Benefit Plans

a) Gratuity

b) Employer's contribution to provident fund

Gratuity

The subsidiaries based in India have an unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure of 15 days base salary (last drawn salary) for each completed year of service subject to maximum of ₹ 10 lacs per employee.

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

The following table sets out the status of the gratuity plan :

Statement of profit and loss

Net employee benefit expense (recognized in Employee Cost)

	Year ended 30 June	
	2015	2014
Current Service cost	47.36	44.78
Interest cost on benefit obligation	20.92	16.59
Expected return on plan assets	-	-
Net Actuarial loss recognized in the year	(7.45)	(26.42)
Past Service cost	-	-
Net benefit expense	60.83	34.95

Balance Sheet

Details of provision for gratuity

	Year ended 30 June	
	2015	2014
Defined benefit obligations	253.16	214.27
Fair value of plan assets	-	-
	253.16	214.27
Plan liability	253.16	214.27

Changes in present value of the defined benefit obligation are as follows:

	Year ended 30 June	
	2015	2014
Opening defined benefit obligations	214.27	196.05
Current service cost	47.36	44.78
Interest cost	20.92	16.59
Actuarial loss on obligation	(7.45)	(26.42)
Benefits paid	(21.94)	(16.73)
Closing defined benefit obligations	253.16	214.27

Changes in fair value of the plan assets are as follows:

	Year ended 30 June	
	2015	2014
Opening fair value of plan assets	-	0.08
Benefits paid	-	(0.08)
Closing fair value of plan assets	-	-

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity for the Group's plans are

	Year ended 30 June	
	2015	2014
Discount rate	8.05%	8.80%
Estimated Rate of salary increases	7.00%	7.00%
Employee Turnover	23.00%	21.00%
Expected rate of return on assets	N.A.	N.A.

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

The following table sets out the experience adjustment to plan liabilities as required by the applicable accounting standard:

	Year ended				
	30 June 2015	30 June 2014	30 June 2013	30 June 2012	30 June 2011
Defined benefit obligations	253.16	214.27	196.05	156.15	111.37
Plan assets	-	-	0.08	0.08	0.08
Experience adjustment to plan liabilities	(17.35)	(9.01)	(1.88)	8.92	5.15
Experience adjustment to plan assets	-	-	-	-	-

Employers Contribution to Provident Fund

The actuary has provided a valuation and based on the assumption mentioned below, there is no shortfall as at 30 June, 2015 and 30 June, 2014.

The details of the fund and plan asset position are given below:-

	30 June 2015	30 June 2014
Plan assets at the year end	1,927.82	1,578.10
Present value of benefit obligation at year end	1,927.82	1,578.10
Asset recognized in balance sheet	-	-

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

	30 June 2015	30 June 2014
Government of India (GOI) bond yield	9.44%	9.49%
Remaining term of maturity	7.83 years	9.40 years
Expected guaranteed interest rate	8.75%	8.75%

During the year ended 30 June 2015, the Group has contributed ₹ 85.80 crores (Previous year ₹ 94.96 crores) towards employer's contribution to the Provident Fund.

2.35 Joint Venture

The Group has an interest in the following jointly controlled entity:

Name of the Company	Shareholding as on 30 June 2015	Shareholding as on 30 June 2014	Incorporated in
Axon Puerto Rico Inc.	-	49%	Puerto Rico

In April 2015 the wholly owned subsidiary of the Company entered into an agreement with "APR Holdco Puerto Rico, Inc." for the sale of its 49% stake in the Joint Venture at gross consideration of \$ 1,600,000 (₹ 9.93 crores). The sale was completed on June 17, 2015.

Consequent to the sale of its holding in Axon Puerto Rico Inc. to "APR Holdco Puerto Rico, Inc.", the Group has recorded a loss of ₹ 13.49 crores, net of related expenses in the year ended 30 June 2015.

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

The aggregate amounts of assets, liabilities, income and expenditure to the extent of the interest of the Group in the above jointly controlled entity are given hereunder:

	Year ended	
	30 June 2015	30 June 2014
Revenue from operations	47.17	58.83
Total revenue	47.17	58.83
Employee benefit expense	44.60	38.90
Other expenses	10.88	9.47
Depreciation and amortization expense	1.76	1.82
Total expenses	57.24	50.19
Profit before tax	(10.07)	8.64
Provision for tax	0.83	0.56
Net profit for the year	(10.90)	8.08

	Year ended	
	30 June 2015	30 June 2014
Assets		
Tangible assets		
Building	–	5.73
Plant and machinery	–	3.46
Total tangible assets (A)	–	9.19
Capital work in progress (B)	–	0.05
Total fixed assets (A+B)	–	9.24
Trade receivables	–	15.37
Cash and bank balances	–	10.57
Other current assets	–	1.18
Liabilities		
Liabilities and provisions	–	20.12

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.36 Additional information under general instructions for the preparation of consolidated financial statements of Schedule III to the Companies Act, 2013

S. No.	Name of the Entity	Net Assets, i.e. total assets minus liabilities				Share in profit or loss			
		2014-15		2013-14		2014-15		2013-14	
		As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Parent	HCL Technologies Limited	59.54	14,471.72	55.73	10,923.26	85.14	6,250.96	91.31	5,960.34
Subsidiaries									
	Indian								
1	HCL Comnet Systems & Services Limited	0.15	36.22	0.09	16.80	0.19	14.24	0.07	4.77
2	HCL Comnet Limited	0.84	204.63	0.86	167.89	0.63	46.58	0.25	16.53
3	HCL Eagle Limited	0.04	8.60	0.07	13.74	0.02	1.38	0.06	4.08
4	HCL Global Processing Services Limited	0.16	37.78	0.18	34.49	0.04	3.21	0.05	3.41
5	HCL Technologies Solutions Limited	0.03	7.48	0.02	4.76	0.03	2.54	0.01	0.96
	Foreign								
1	HCL Bermuda Limited	0.03	6.23	-	0.40	(0.32)	(23.52)	(1.01)	(66.18)
2	HCL Technologies (Shanghai) Limited	0.23	55.50	0.24	47.01	0.05	3.60	0.04	2.92
3	HCL Singapore Pte Limited	0.53	128.42	0.88	171.74	1.98	145.47	1.56	101.78
4	HCL Great Britain Limited	2.02	491.42	3.14	616.21	1.38	101.59	1.65	107.98
5	HCL (Netherlands) BV	0.20	48.91	0.25	48.87	0.31	22.86	0.40	26.27
6	HCL Belgium NV	0.19	45.00	0.19	37.06	0.16	11.90	0.06	3.63
7	HCL Sweden AB	0.09	22.94	0.78	153.33	0.06	4.31	0.53	34.89
8	HCL GmbH	0.17	40.48	0.36	69.58	0.23	16.05	0.17	10.80
9	HCL Italy SRL	0.06	15.16	0.07	13.74	0.08	5.74	(0.05)	(2.45)
10	HCL Australia Services Pty. Limited	0.85	206.81	0.57	111.75	0.47	34.36	0.56	36.71
11	HCL (New Zealand) Limited	0.08	20.17	0.26	51.36	0.16	11.88	(0.96)	(62.82)
12	HCL Hong Kong SAR Limited	0.04	8.88	0.07	14.14	-	0.17	0.08	5.09
13	HCL Japan Limited	0.34	85.54	0.54	106.19	0.22	15.86	0.21	13.59
14	HCL America Inc.	9.75	2,369.29	9.59	1,879.36	3.76	275.71	1.66	108.28
15	HCL Technologies Austria GmbH	0.01	2.18	-	0.13	(0.07)	(5.40)	(0.01)	(0.94)
16	HCL BPO Services (NI) Limited	0.09	21.47	0.08	15.68	0.06	4.05	(0.27)	(17.41)
17	HCL (Malaysia) Sdn. Bhd	-	0.34	0.05	9.21	-	(0.01)	-	(0.19)
18	HCL Poland Sp.z.o.o.	(0.19)	(44.02)	(0.14)	(27.30)	0.18	13.45	(0.30)	(19.35)
19	HCL EAS Limited	0.41	98.95	(0.01)	(1.22)	0.16	11.51	0.20	13.30
20	HCL Insurance BPO Services Limited	0.06	15.74	(0.08)	(15.47)	0.44	32.22	(0.14)	(9.15)
21	HCL Expense Management Services Inc	0.57	139.02	0.67	130.87	0.01	0.61	0.28	18.07
22	Axon Group Limited	-	0.08	-	0.57	0.02	1.46	(0.32)	(21.11)

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.36 Additional information under general instructions for the preparation of consolidated financial statements of Schedule III to the Companies Act, 2013

S. No.	Name of the Entity	Net Assets, i.e. total assets minus liabilities						Share in profit or loss			
		2014-15		2013-14		2014-15		2013-14			
		As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount		
23	HCL Axon Technologies Inc.	0.51	123.52	0.27	52.76	0.63	46.54	0.23	14.93		
24	Bywater Limited	-	-	-	-	0.01	0.48	(0.01)	(0.46)		
25	HCL Technologies Solutions GmbH	-	0.71	-	0.06	-	(0.34)	-	0.22		
26	Axon Solutions Pty Limited	(0.02)	(5.61)	(0.02)	(3.96)	0.08	6.03	-	0.25		
27	Axon Solutions Inc.	10.68	2,598.96	12.41	2,430.97	0.16	12.09	1.40	90.71		
28	Axon Solutions Limited	7.81	1,900.46	9.85	1,928.58	0.15	11.21	0.35	22.25		
29	HCL Axon Malaysia Sdn. Bhd.	0.26	62.45	0.23	42.56	0.37	27.45	0.71	45.90		
30	Axon Solutions Singapore Pte Limited	0.01	3.62	0.01	1.63	0.01	0.75	0.07	3.70		
31	Axon Solutions (Shanghai) Co. Limited	0.35	86.20	0.12	23.65	0.46	33.88	(0.04)	(3.42)		
32	HCL Axon (Proprietary) Limited	1.04	251.91	0.77	150.49	1.08	79.02	0.60	39.29		
33	HCL Argentina s.a.	0.01	1.60	0.01	2.18	-	0.25	-	0.32		
34	HCL Mexico S. de R.L.	0.11	27.86	0.21	40.55	0.12	8.81	(0.07)	(4.79)		
35	HCL Technologies Romania s.r.l.	-	0.59	-	0.88	-	(0.01)	-	0.18		
36	HCL Hungary Kft	0.01	1.94	-	0.69	(0.01)	(0.71)	-	0.29		
37	HCL Latin America Holding LLC	0.01	1.33	0.01	1.26	-	0.07	-	0.02		
38	HCL (Brazil) Tecnologia da Informacao Ltda.	0.09	20.73	0.12	23.44	(0.01)	(0.81)	-	0.08		
39	HCL Technologies Denmark Apps	0.14	32.84	0.18	35.08	0.07	5.42	0.08	5.05		
40	HCL Technologies Norway AS	0.23	56.35	0.09	17.10	0.22	15.95	0.11	7.15		
41	PT. HCL Technologies Indonesia Limited	0.05	12.33	0.03	5.88	(0.01)	(0.53)	-	0.30		
42	HCL Technologies Philippines Inc.	0.04	10.73	0.08	15.43	0.45	33.40	(0.36)	(23.35)		
43	HCL Technologies South Africa (Proprietary) Limited	-	(0.59)	0.04	7.27	0.05	3.39	0.03	2.13		
44	HCL Arabia LLC	0.09	21.11	0.05	10.42	(0.02)	(1.33)	(0.03)	(1.85)		
45	HCL Technologies France	0.73	176.36	0.13	25.66	0.16	11.76	0.06	4.18		
46	FILIAL ESPAÑOLA DE HCL TECHNOLOGIES, S.L.	0.03	6.81	0.09	16.85	(0.02)	(1.13)	-	0.28		
47	Anzospa Investments (PTY) Limited	-	0.08	-	0.27	-	(0.19)	0.28	18.53		
48	HCL Investment (UK) Limited	-	0.12	-	0.05	-	(0.02)	-	(0.06)		
49	HCL America Solutions Inc.	0.27	64.99	0.10	20.50	-	(0.14)	-	(0.05)		
50	HCL Technologies Chile Spa	0.12	28.78	0.12	23.80	0.04	2.82	0.04	2.49		
51	HCL Technologies UK Limited	0.67	162.90	0.28	55.03	0.16	12.01	0.03	1.82		
52	HCL Technologies B.V.	-	0.11	-	0.78	-	0.16	-	(0.05)		
53	HCL (Ireland) Information Systems Limited	0.01	1.57	-	0.79	-	0.05	-	(0.03)		

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.36 Additional information under general instructions for the preparation of consolidated financial statements of Schedule III to the Companies Act, 2013

S. No.	Name of the Entity	Net Assets, i.e. total assets minus liabilities				Share in profit or loss			
		2014-15		2013-14		2014-15		2013-14	
		As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
54	HCL Technologies Germany Gmbh	0.02	3.87	-	0.79	0.18	-	(0.03)	
55	HCL Technologies Belgium N.V.	-	0.33	-	0.78	-	-	(0.04)	
56	HCL Technologies Sweden AB	(0.01)	(2.19)	-	0.75	0.16	-	(0.03)	
57	HCL Technologies Finland Oy	(0.04)	(9.06)	-	0.77	4.07	-	(0.05)	
58	HCL Technologies Italy S.P.A	0.01	2.78	-	-	1.13	-	-	
59	HCL Technologies Columbia S.A.S	-	(0.08)	-	-	(0.09)	-	-	
60	HCL Technologies Middle East FZ-LLC	0.04	10.24	-	-	(1.55)	-	-	
61	HCL Istanbul Bilisim Teknolojileri Limited Sirketi	0.02	4.27	-	-	(0.10)	-	-	
62	HCL Technologies Greece Single Member P.C	-	0.48	-	-	0.01	-	-	
63	HCL Technologies S.A.	0.01	3.22	-	-	0.03	-	-	
64	HCL Technologies Beijing Co., Ltd	-	-	-	-	-	-	-	
65	HCL Technologies Luxembourg S.a.r.l	-	-	-	-	-	-	-	
66	HCL-TEN Ventures, LLC	-	-	-	-	-	-	-	
67	HCL Technologies Egypt Limited	-	-	-	-	(0.10)	-	-	
68	HCL Technologies Estonia OÜ	-	-	-	-	-	-	-	
69	HCL Technologies (Thailand) Ltd.	-	-	-	-	-	-	-	
Associates									
Indian									
1	Statestreet HCL Services (India) Private Ltd.	0.40	96.14	0.29	57.43	38.71	0.53	22.55	
Foreign									
1	Statestreet HCL Holding UK Limited	(0.04)	(10.32)	(0.06)	(11.94)	(0.03)	-	(0.09)	
2	Statestreet HCL Services (Philippines) Inc.	0.05	11.12	0.05	9.90	1.22	0.02	(2.40)	
Joint Ventures									
Foreign									
1	Axon Puerto Rico	-	-	0.08	16.23	(10.90)	(0.15)	8.10	
Total		100.00	24,306.50	100.00	19,599.51	7,341.85	100.00	6,527.82	
Minority Interest			(82.11)		(57.33)	(24.78)		(18.31)	
Consolidated Net Assets / Profit after tax			24,224.39		19,542.18	7,317.07		6,509.51	

Note:

1. Dividend received from subsidiaries has been excluded from profits.

Notes to consolidated financial statements for the year ended 30 June 2015

(All amounts in crores of ₹, except share data and as stated otherwise)

2.37 Entrusted loan receivable / payable

During the year ended June 30, 2015, two of the Company wholly owned subsidiaries, HCL Technologies (Shanghai) Limited & Axon Solutions (Shanghai) Co. Limited, entered into an entrusted loan arrangement of Rs. 25.66 crores with a bank, in which HCL Technologies (Shanghai) Limited acts as the entrusted party (the principle), the bank acts as an agent (charging commission of 0.20% p.a.) and Axon Solutions (Shanghai) Co. Limited acts as a borrower (the "Entrusted Loan"). The entrusted loan receivable and entrusted loan payable cannot be set off and bears interest of 5% p.a. and are repayable on demand within one year.

2.38 Previous year comparatives

Previous year figures have been rearranged to conform to the current year's classification.

As per our report of even date

For S.R. BATLIBOI & CO. LLP
ICAI Firm Registration Number : 301003E

Chartered Accountants

per Tridibes Basu

Partner

Membership Number: 17401

Gurgaon, India
03 August 2015

For and on behalf of the Board of Directors
of HCL Technologies Limited

Shiv Nadar
Chairman and Chief Strategy Officer

Anant Gupta
President and Chief Executive Officer

Manish Anand
Company Secretary

Noida (UP), India
03 August 2015

Amal Ganguli
Director

Anil Chanana
Chief Financial Officer

Statement containing the salient features of the financial statements of subsidiaries/ associates companies/ joint ventures

[Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-I]

(Amount in ₹ Thousand)

S. No.	Name of the Subsidiary Company	Financial period ended	Reporting Currency	Exchange Rate as on respective balance sheet date	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments in (other than subsidiaries)	Turnover	Profit/(Loss) before taxation	Provision for taxation	Profit/ (Loss) after taxation	Proposed Dividend	% of share-holding
1	HCL Bermuda Limited	30-Jun-15	USD	63.65	42,720,008	(249,556)	42,476,956	6,505	-	-	1,047,768	-	1,047,768	-	100%
2	HCL Technologies (Shanghai) Limited	31-Dec-14	CNY	10.16	155,586	101,098	841,994	585,311	-	1,076,715	80,177	38,044	42,133	-	100%
3	HCL Singapore Pte Limited	30-Jun-15	SGD	47.27	96,200	1,857,331	4,922,194	2,968,663	-	9,513,224	1,668,343	264,615	1,403,729	-	100%
4	HCL Comnet Limited	30-Jun-15	INR	1.00	9,499	2,366,667	6,182,804	3,806,638	1,132,648	5,045,664	576,818	110,275	466,543	-	100%
5	HCL Comnet Systems & Services Limited	30-Jun-15	INR	1.00	92,800	110,161	489,380	286,419	142,632	412,208	57,130	(85,855)	142,985	-	100%
6	HCL Eagle limited	30-Jun-15	INR	1.00	1,000	44,624	141,888	96,264	61,155	311,320	41,991	23,491	18,500	-	92%
7	HCL Great Britain Limited	30-Jun-15	GBP	100.05	1,057,326	4,830,404	16,649,287	10,761,557	-	36,402,219	1,727,260	244,122	1,483,138	-	100%
8	HCL (Netherlands) BV	30-Jun-15	EUR	71.18	1,292	295,969	816,748	519,487	-	3,161,618	292,112	72,253	219,860	-	100%
9	HCL Belgium NV	30-Jun-15	EUR	71.18	253,968	107,531	812,416	450,916	-	1,109,646	158,079	52,631	105,449	-	100%
10	HCL Sweden AB	30-Jun-15	SEK	7.72	772	558,581	4,119,393	3,560,039	-	6,541,781	162,688	36,025	126,664	-	100%
11	HCL GmbH	30-Jun-15	EUR	71.18	1,829	478,643	2,110,736	1,630,264	-	5,063,899	151,057	48,683	102,375	-	100%
12	HCL Italy SRL	30-Jun-15	EUR	71.18	735	141,326	232,071	90,010	-	264,993	48,938	2,638	46,300	-	100%
13	HCL Australia Services Pty. Limited	30-Jun-15	AUD	48.92	24,461	1,103,937	3,813,455	2,685,057	-	11,888,755	526,234	161,695	364,539	-	100%
14	HCL (New Zealand) Limited	30-Jun-15	NZD	43.02	1,997	118,027	553,235	433,211	-	2,037,713	150,941	42,142	108,798	-	100%
15	HCL Hong Kong SAR Limited	30-Jun-15	HKD	8.21	1,586	62,420	165,521	101,515	-	499,648	1,797	112	1,686	-	100%
16	HCL Japan Limited	30-Jun-15	JPY	0.52	114,466	540,314	3,516,370	2,861,590	-	5,099,310	246,983	101,898	145,085	-	100%
17	HCL America Inc.	30-Jun-15	USD	63.65	475,746	28,950,873	80,003,456	50,576,837	-	178,263,139	5,554,789	2,130,308	3,424,481	-	100%
18	HCL Technologies Austria GmbH	31-Dec-14	EUR	76.63	36,197	6,289,794	6,640,707	314,716	-	46,230	(27,998)	109	(28,107)	-	100%
19	HCL Global Processing Services Limited	30-Jun-15	INR	1.00	1,061	374,801	380,416	4,555	17,018	41,418	47,907	15,940	31,967	-	100%
20	HCL BPO Services (NI) Limited	30-Jun-15	GBP	100.05	400,299	(1,370,482)	34,117	1,004,300	-	127,463	43,322	-	43,322	-	100%
21	HCL (Malaysia) Sdn. Bhd	30-Jun-15	MYR	16.87	1,687	1,751	3,438	-	-	-	(108)	-	(108)	-	100%
22	HCL Technologies Solutions Limited	30-Jun-15	INR	1.00	10,501	62,453	87,413	14,459	25,000	56,501	14,245	5,698	8,547	-	100%
23	HCL Poland Sp.z.o.o.	30-Jun-15	PLN	16.98	235,197	(17,201)	1,112,517	894,522	-	1,514,340	119,864	-	119,864	-	100%
24	HCL EAS Limited	30-Jun-15	USD	63.65	10,028,732	(2,105,432)	45,991,973	38,068,673	-	340,897	(891,512)	-	(891,512)	-	100%
25	HCL Insurance BPO Services Limited	30-Jun-15	GBP	100.05	811,404	3,702	1,380,587	565,481	-	2,703,946	329,764	-	329,764	-	100%
26	HCL Expense Management Services Inc. (refer note 2)	30-Jun-15	USD	63.65	0	295,086	295,889	803	-	-	6,480	269	6,210	-	100%
27	Axon Group Limited	30-Jun-15	GBP	100.05	67,834	19,914,512	20,116,913	134,567	-	-	5,203	-	5,203	-	100%
28	HCL Axon Technologies Inc.	30-Jun-15	CAD	51.39	627,299	354,973	2,269,596	1,287,324	-	4,165,726	599,567	159,274	440,293	-	100%

Statement containing the salient features of the financial statements of subsidiaries/ associates companies/ joint ventures (Contd.)

S. No.	Name of the Subsidiary Company	Financial period ended	Reporting Currency	Exchange Rate as on respective balance sheet date	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments in (other than subsidiaries)	Turnover	Profit/(Loss) before taxation	Provision for taxation	Profit/(Loss) after taxation	Proposed Dividend	% of share-holding
29	HCL Technologies Solution GmbH	30-Jun-15	CHF	68.37	8,205	(7,043)	8,163	7,002	-	-	(3,292)	-	(3,292)	-	100%
30	Axon Solutions Pty Limited	30-Jun-15	AUD	48.92	1,058,068	(951,352)	319,459	212,743	-	728,480	74,803	16,771	58,032	-	100%
31	Axon Solutions Inc.	30-Jun-15	USD	63.65	1,971	5,401,354	9,752,425	4,349,100	-	13,618,268	165,610	41,539	124,071	-	100%
32	Axon Solutions Limited	30-Jun-15	GBP	100.05	100	2,514,051	7,532,449	5,018,298	-	13,352,646	(276,137)	261,930	(538,068)	-	100%
33	HCL Axon Malaysia Sbn. Bhd.	30-Jun-15	MYR	16.87	371,083	569,123	1,391,217	451,011	-	2,101,799	326,315	83,761	242,554	-	100%
34	Axon Solutions Singapore Pte Ltd.	30-Jun-15	SGD	47.27	4,727	(77,775)	89,353	162,401	-	101,626	9,196	(6,475)	15,671	-	100%
35	Axon Solutions (Shanghai) Co. Ltd.	31-Dec-14	CNY	10.16	21,019	(65,743)	498,926	543,649	-	466,545	54,877	-	54,877	-	100%
36	HCL Axon (Proprietary) Limited.	30-Jun-15	ZAR	5.20	452,513	1,352,922	3,180,657	1,375,222	-	4,285,189	1,057,074	296,870	760,204	-	70%
37	HCL Argentina s.a.	30-Jun-15	ARS	7.00	20,751	(4,511)	62,011	45,771	-	64,219	5,524	8,191	(2,668)	-	100%
38	HCL Mexico S. de R.L.	31-Dec-14	MXN	4.29	67,078	6,750	845,203	771,374	-	1,501,585	66,605	28,332	38,273	-	100%
39	HCL Technologies Romania s.r.l.	30-Jun-15	RON	15.91	5,621	(1,892)	10,948	7,219	-	19,321	899	144	755	-	100%
40	HCL Hungary Kft	30-Jun-15	HUF	0.23	2,032	(2,082)	23,474	23,524	-	18,352	(3,761)	(323)	(3,438)	-	100%
41	HCL Latin America Holding LLC	30-Jun-15	USD	63.65	744,018	4,181	748,220	21	-	-	651	-	651	-	100%
42	HCL (Brazil) Tecnologia da Informacao Ltda.	31-Dec-14	BRL	23.76	586,634	(437,414)	447,268	298,048	-	1,259,166	(21,029)	-	(21,029)	-	100%
43	HCL Technologies Denmark Apps	30-Jun-15	DKK	9.54	31,177	159,885	779,078	588,015	-	1,663,461	67,042	15,963	51,080	125,108	100%
44	HCL Technologies Norway AS	30-Jun-15	NOK	8.09	24,214	312,160	3,036,951	2,700,577	-	7,015,506	204,196	50,264	153,932	-	100%
45	PT, HCL Technologies Indonesia Limited	30-Jun-15	IDR	0.00	43,283	(12,389)	143,729	112,836	-	132,071	4,254	7,982	(3,727)	-	100%
46	HCL Technologies Philippines Inc.	30-Jun-15	PHP	1.41	383,319	14,505	779,749	381,925	-	1,083,705	152,136	17,595	134,540	-	100%
47	HCL Technologies South Africa (Proprietary) Limited	30-Jun-15	ZAR	5.20	15,474	169,680	351,713	166,559	-	602,985	51,100	15,710	35,390	-	70%
48	HCL Arabia LLC	31-Dec-14	SAR	16.80	8,400	(45,984)	184,469	222,054	-	101,985	(7,335)	-	(7,335)	-	100%
49	HCL Technologies France	30-Jun-15	EUR	71.18	179,079	87,630	3,013,319	2,746,610	-	4,233,100	153,191	45,893	107,298	-	100%
50	FILIAL ESPAÑOLA DE HCL TECHNOLOGIES, S.L.	30-Jun-15	EUR	71.18	21,353	(1,724)	87,899	68,271	-	264,047	(9,505)	429	(9,934)	-	100%
51	Anzospan Investments (PTY) Limited	30-Jun-15	ZAR	5.20	468,117	(2,056)	468,826	2,765	-	-	(1,774)	-	(1,774)	-	70%
52	HCL Investments (UK) Limited	30-Jun-15	GBP	100.05	640,829	(2,018)	640,242	1,432	-	-	(245)	-	(245)	-	100%
53	HCL America Solutions Inc.	30-Jun-15	USD	63.65	637	(2,512)	684,331	686,207	-	1,701,751	(1,052)	416	(1,468)	-	100%
54	HCL Technologies Chile Spa	30-Jun-15	CLP	0.10	59,875	50,429	387,304	277,000	-	385,727	30,197	7,791	22,406	-	100%
55	HCL Technologies UK Ltd.	30-Jun-15	GBP	100.05	310,455	171,285	2,756,172	2,274,432	-	5,053,115	155,377	2,101	153,276	-	100%
56	HCL Technologies B.V	30-Jun-15	EUR	71.18	7,117	776	47,642	39,749	-	30,699	1,717	194	1,523	-	100%
57	HCL (Ireland) Information Systems Limited	30-Jun-15	EUR	71.18	7,118	235	131,618	124,266	-	160,695	547	34	513	-	100%
58	HCL Technologies Germany GmbH	30-Jun-15	EUR	71.18	7,117	806	154,151	146,228	-	113,676	1,716	278	1,438	-	100%

Statement containing the salient features of the financial statements of subsidiaries/ associates companies/ joint ventures (Contd.)

S. No.	Name of the Subsidiary Company	Financial period ended	Reporting Currency	Exchange Rate as on respective balance sheet date	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments in (other than subsidiaries)	Turnover	Profit/(Loss) before taxation	Provision for taxation	Profit/(Loss) after taxation	Proposed Dividend	% of share-holding
59	HCL Technologies Belgium NV	30-Jun-15	EUR	71.18	7,118	(1,095)	7,666	1,643	-	3,489	(245)	-	(245)	-	100%
60	HCL Technologies Sweden AB	30-Jun-15	SEK	7.72	6,643	1,251	39,434	31,541	-	35,195	1,821	353	1,468	-	100%
61	HCL Technologies Finland Oy	30-Jun-15	EUR	71.18	7,118	38,332	207,854	162,405	-	172,766	48,356	9,583	38,773	-	100%
62	HCL Technologies Italy S.P.A. (refer note 4)	31-Mar-15	EUR	67.19	67,194	10,014	612,642	535,434	-	457,220	36,142	26,129	10,014	-	100%
63	HCL Technologies Colombia S.A.S (refer note 5)	31-Dec-14	COP	0.03	-	(357)	-	357	-	-	(357)	-	(357)	-	100%
64	HCL Technologies Middle East FZ- LLC (refer note 6)	31-Mar-15	AED	17.02	3,404	(27,539)	58,464	82,600	-	97,913	(27,539)	-	(27,539)	-	100%
65	HCL İstanbul Bilisim Teknolojileri Limited Şirketi (refer note 7)	31-Dec-14	TRY	27.12	2,712	(3,262)	2,712	3,262	-	-	(3,262)	-	(3,262)	-	100%
66	HCL Technologies Greece Single Member P.C. (refer note 8)	31-Mar-15	EUR	67.19	-	(992)	-	992	-	-	(992)	-	(992)	-	100%
67	HCL Technologies, S.A. (refer note 9)	31-Mar-15	VEF	9.93	24,676	(59,396)	24,676	59,396	-	-	59,396	-	59,396	-	100%

Notes:

- Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as mentioned above for respective subsidiary.
- # Refer table given below for absolute amount of share capital in the following company:

Name of the Subsidiary Company	Share Capital(₹)
HCL Expense Management Services Inc.	63.65

3 The following companies are yet to commence operations:

- HCL Technologies Beijing Co., Ltd
- HCL Technologies Luxembourg S.a.r.l
- HCL Technologies Egypt Limited
- HCL Technologies Estonia OU
- HCL Technologies (Thailand) Limited
- HCL Foundation*
- HCL Ten Ventures LLC

*During the year the Company subscribed to 100% share capital of "HCL Foundation" (company), a not for profit company registered under section 8 of the Companies Act, 2013. Since the objective of the parent is not to obtain economic benefits from the company, it has not been considered for the purpose of preparation of consolidated financial statement.

- On 30 July 2014, HCL Technologies Italy S.P.A, a wholly-owned subsidiary of HCL Technologies UK Limited, whose financial year end is March, has been incorporated.
- On 06 August 2014, HCL Technologies Columbia S.A.S, a wholly-owned subsidiary of HCL Technologies UK Limited, whose financial year end is December, has been incorporated.
- On 19 August 2014, HCL Technologies Middle East FZ-LLC, a wholly-owned subsidiary of HCL Bermuda Limited, whose financial year end is March, has been incorporated.
- On 30 September 2014, HCL İstanbul Bilisim Teknolojileri Limited Şirketi a wholly-owned subsidiary of HCL Technologies UK Limited, whose financial year end is December, has been incorporated.
- On 30 September 2014, HCL Technologies Greece Single Member P.C., a wholly-owned subsidiary of HCL Technologies UK Limited, whose financial year end is March, has been incorporated.
- On 20 November 2014, HCL Technologies, S.A., a wholly-owned subsidiary of Axon Group Limited, has been voluntarily liquidated.
- On 13 January 2015, Bywater Limited, a wholly owned subsidiary of HCL Technologies UK Limited, has been voluntarily liquidated.

For HCL Technologies Limited

Shiv Nadar
Chairman and Chief Strategy Officer

Amal Ganguli
Director

Anant Gupta
President and Chief Executive Officer

Anil Chanana
Chief Financial Officer

Manish Anand
Company Secretary

Place: Noida, UP (India)
Date: 12th November 2015

Statement containing the salient features of the financial statements of subsidiaries/ associates companies/ joint ventures

[Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-I

(Amount in ₹ Thousand)

Name of Associate	Axon Pureto Inc.	Statestreet HCL Holding UK Ltd.	Statestreet HCL Services (India) Private Limited*	Statestreet HCL Services (Phillipines) Inc.*
Latest audited Balance Sheet Date		30-Jun-15	30-Jun-15	30-Jun-15
Shares of Associates held by the Company on the year end	Refer note 1		Refer note 2	
Number of shares		10,000,000		
Amount of Investment in Associates		638,579		
Extent of Holding %		49%		
Description of how there is significant influence		Refer note 3		
Reason why the associates is not consolidated	Refer note 4			
Networth attributable to Shareholding as per latest audited Balance Sheet		637,482	989,393	110,364
Profit/(Loss) for the year		(287)	415,692	13,628
Consideration in Consolidation		(280)	387,088	12,176
Not Consideration in Consolidation		(7)	28,604	1,452

* 100% subsidiary of associate - Statestreet HCL Holding UK Limited

Notes:

- In April 2015, The Group has sold its 49% stake in the joint venture "Axon Pureto Inc".
- Statestreet HCL Services (India) Private Limited and Statestreet HCL Services (Phillipines) Inc. are wholly owned subsidiaries of Statestreet HCL Holding UK Limited.
- The Group has an equity interest of 49% and 100% dividend rights in associates.
- The Group has an equity interest of 49% in associates and 100% dividend rights. The shareholders agreement provides specific rights to the two shareholders. The management believes that these specific rights do not confer joint control as defined in Accounting Standard 27 "Financial Reporting of Interests in Joint Ventures". Consequently, Statestreet HCL Holding UK Limited and its step down subsidiaries are not considered as joint ventures and consolidation of financial statements is carried out as per the equity method in terms of Accounting Standard 23 "Accounting for Investments in Associates in Consolidated Financial Statements".

For HCL Technologies Limited

Shiv Nadar
Chairman and Chief Strategy Officer

Amal Ganguli
Director

Anant Gupta
President and Chief Executive Officer

Anil Chanana
Chief Financial Officer

Manish Anand
Company Secretary

Place: Noida, UP (India)

Date: 12th November 2015

HCL

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