HCL Technologies Trinidad and Tobago Limited
Financial Statements
For the year ended 31 December 2023

HCL Technologies Trinidad and Tobago Limited
Balance Sheet
(All amounts in thousands of TTD, except share data and as stated otherwise)

		Note No.	As at 31 December 2023	As at 31 December 2022
I.	**ASSETS**			
	(1) Non-current assets			
	(a) Deferred tax assets (net)	**2.11**	26	**-**
	(2) Current assets			
	(a) Financial assets			
	(i) Trade receivables			
	Billed	**2.1**	3,334	4,748
	Unbilled	**2.1**	57	1
	(ii) Cash and cash equivalents	**2.2**	6,412	3,914
	(b) Income tax asset	**2.11**	46	13
	TOTAL ASSETS		**9,875**	**8,676**
II.	**EQUITY**			
	(a) Equity share capital	**2.3**	230	230
	(b) Other equity		356	600
	TOTAL EQUITY		**586**	**830**
III.	**LIABILITIES**			
	(1) Current liabilities			
	(a) Financial liabilities			
	(i) Trade payables			
	Billed			
	Dues of creditors other than micro enterprises and small enterprises	**2.4**	8,300	257
	Unbilled and accruals	**2.4**	868	2,662
	(ii) Others	**2.5**	-	4,769
	(b) Other current liabilities	**2.6**	121	-
	(c) Current tax liabilities	**2.11**	-	158
	TOTAL LIABILITIES		**9,289**	**7,846**
	TOTAL EQUITY AND LIABILITIES		**9,875**	**8,676**
	Summary of significant accounting policies	**1**		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. : 101248W/W-100022

For and on behalf of the Board of Directors
of HCL Technologies Trinidad and Tobago Limited

Prince Sharma
Prince Sharma (May 17, 2024 19:40 GMT+5.5)

Shiv Walia
Shiv Walia (May 17, 2024 13:45 GMT+1)

Raghu Raman Lakshmanan
Raghu Raman Lakshmanan (May 17, 2024 08:03 CDT)

Prince Sharma
Partner
Membership no.: 521307

Shiv Walia
Director
Berkshire, UK

Raghu Raman Lakshmanan
Director
USA

Gurugram, India
Date: 17 May, 2024

Date: 17 May, 2024

Date: 17 May, 2024

HCL Technologies Trinidad and Tobago Limited
Statement of Profit and Loss
(All amounts in thousands of TTD, except share data and as stated otherwise)

		Note No.	Year ended 31 December 2023	Year ended 31 December 2022
I	**Revenue**			
	Revenue from operations	**2.7**	4,934	5,910
	Other income	**2.8**	-	3
	Total income		**4,934**	**5,913**
II	**Expenses**			
	Outsourcing cost		4,220	5,207
	Other expenses	**2.10**	225	168
	Finance costs	**2.9**	5	4
	Total expenses		**4,450**	**5,379**
III	**Profit before tax**		**484**	**534**
IV	**Tax expense**	**2.11**		
	Current tax		754	85
	Deferred Tax Charge/ (Credit)		(26)	76
	Total tax expense		**728**	**161**
V	**Profit (loss) for the year**		**(244)**	**373**
VI	**Other Comprehensive Income**		-	-
VII	**Total Comprehensive Income (loss) for the year**		**(244)**	**373**
	Earning per equity share of TTD par value			
	Basic and diluted	**2.13**	(7.28)	11.14
	Summary of significant accounting policies	**1**		

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Raghu Raman Lakshmanan (May 17, 2024 08:03 CDT)

Raghu Raman Lakshmanan
Director
USA

Date: 17 May, 2024

HCL Technologies Trinidad and Tobago Limited
Statement of Changes in Equity
(All amounts in thousands of TTD, except share data and as stated otherwise)

	Equity share capital		Other Equity
	No. of Shares	Share Capital	
Balance as of 01 Janaury 2022	33,500	230	227
Profit for the year	-	-	373
Other comprehensive income / (loss)	-	-	-
Total comprehensive income for the year	-	-	373
Balance as of 31 December 2022	**33,500**	**230**	**600**
Balance as of 01 Janaury 2023	33,500	230	600
Profit for the year	-	-	(244)
Other comprehensive income / (loss)	-	-	-
Total comprehensive income for the year	-	-	(244)
Balance as of 31 December 2023	**33,500**	**230**	**356**

Summary of significant accounting policies (Note 1)

The accompanying notes are an integral part of the financial statements

As per our report of even date

For B S R & Co. LLP
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Raghu Raman Lakshmanan
Director
USA

Date: 17 May, 2024

HCL Technologies Trinidad and Tobago Limited
Statement of Cash flow
(All amounts in thousands of TTD, except share data and as stated otherwise)

	Year ended	
	31 December 2023	**31 December 2022**
A. Cash flows from operating activities		
Profit before tax	484	534
Adjustment for:		
Loss Allowance for bad and doubtful debts	85	-
	569	**534**
Net change in		
Trade receivables	1,273	(3,657)
Trade payables	6,249	2,145
Other financial liabilities and other liabilities	(4,648)	(10)
Cash generated from (used in) operations	**3,443**	**(988)**
Direct taxes paid	945	-
Net cash flow from (used in) operating activities (A)	**2,498**	**(988)**
Net increase/(decrease) in cash and cash equivalents (A+B)	2,498	(988)
Cash and cash equivalents at the beginning of the year	3,914	4,902
Cash and cash equivalents at the end of the year (refer note 2.2)	**6,412**	**3,914**
Summary of significant accounting policies (Note 1)		

The accompanying notes are an integral part of the financial statements

As per our report of even date.

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Date: 17 May, 2024

ORGANIZATION AND NATURE OF OPERATIONS

HCL Technologies Trinidad and Tobago Limited ("the Company") is domiciled and headquarter in Trinidad and Tobago. The Company was incorporated in 23 May 2019 and is a specialist in the domain of engineering solutions and Software services. HCL Technologies Trinidad and Tobago Limited is the wholly owned subsidiary of HCL Technologies UK Limited.

The financial statements for the year ended 31 December 2023 were approved and authorized for issue by the Board of Directors on 17th May 2024.

1. Summary of Significant accounting policies

a) Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Schedule III (Division II) to the Companies Act, 2013, as applicable, to the financial statements.

The Company is not domiciled in India and hence was not incorporated under Companies Act, 2013 or under any previous Company law in India. These financial statements do not constitute a set of statutory financial statements in accordance with local laws of the Country in which the Company is incorporated.

These financial statements are prepared for the use of the Company and the ultimate holding Company, HCL Technologies Limited, to comply with the requirements of the Act.

These financial statements have been prepared under the historical cost convention on an accrual and going concern basis except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous year except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle of 12 months.

The Statement of cash flows has been prepared under indirect method.

The functional currency of the Company is TTD.

b) Use of estimates

The preparation of standalone financial statements in conformity with Ind AS requires the management to make estimates and judgements that affect the reported amounts of assets, liabilities, revenue, expenses and other comprehensive income (OCI) that are reported and disclosed in the financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Actual results could differ from those estimates. Changes in estimates are reflected in the standalone financial statements in the year in which the changes are made.

Significant estimates and assumptions are used for, but not limited to,

i. Recognition of current and deferred taxes, refer note 1(e) and note 2.11
ii. Provisions and contingent liabilities, refer note 1(f)

c) Foreign currency and translation

The financial statements of the Company are presented in TTD which is also the Company's functional currency. For each foreign operation, the Company determines the functional currency which is its respective local currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date of the transaction. Foreign-currency denominated monetary assets and liabilities are translated to the relevant functional currency at exchange rates in effect at the balance sheet date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the initial transaction. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the year in which the transaction is settled. Revenue and expenses denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

d) Revenue recognition

Contracts involving provision of services and material

Revenue is recognized when, or as, control of a promised service or good transfers to a customer, in an amount that reflects the consideration to which the company expects to be entitled in exchange for transferring those products or services. To recognize revenues, the following five step approach is applied: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied. Contract is accounted when it is legally enforceable through executory contracts, approval and commitment from all parties, the rights of the parties are identified, payment terms are defined, the contract has commercial substance and collectability of consideration is probable.

Time-and-material / Volume based / Transaction based contracts

Revenue with respect to time-and-material, volume based and transaction based contracts is recognized as the related services are performed through efforts expended, volume serviced transactions are processed etc. that correspond with value transferred to customer till date which is related to our right to invoice for services performed.

Fixed Price contracts

Revenue related to fixed price contracts where performance obligations and control are satisfied over a period of time like technology integration, complex network building contracts, ERP implementations and Application development are recognized based on progress towards completion of the performance obligation using a cost-to-cost measure of progress (i.e., percentage-of-completion (POC) method of accounting). Revenue is recognized based on the costs incurred to date as a percentage of the total estimated costs to fulfill the contract. Any revision in cost to complete would result in increase or decrease in revenue and such changes are recorded in the period in which they are identified. Provisions for estimated losses, if any, on contracts-in-progress are recorded in the period in which such losses become probable based on the current contract estimates. Contract losses are determined to be the amount by which the estimated incremental cost to complete exceeds the estimated future revenues that will be generated by the contract and are included in cost of revenues and recorded in other accrued liabilities

Revenue related to other fixed price contracts providing maintenance and support services, are recognized based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognized as the service is performed based on the cost to cost method described above.

In arrangements involving sharing of customer revenues, revenue is recognized when the right to receive is established.

Revenue from Information Technology enabled services (ITES) is recognized on cost plus model when services have been rendered, the fee is determinable and collectability is reasonably assured in terms of master service agreement.

Revenue is recognized net of discounts and allowances, value-added tax and service tax, and includes reimbursement of out-of-pocket expenses, with the corresponding out-of-pocket expenses included in cost of revenues.

Other income

Other income mainly comprises interest income on debt securities, bank and other deposits, other interest income recognized using the effective interest method, profit on sale of property, plant and equipments, debt securities and mutual fund and net foreign exchange gains.

e) Income Taxes

Tax expense comprise of current and deferred tax.

Income tax expense is recognized in the statement of profit and loss. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Provision for income tax includes the impact of provisions established for uncertain income tax positions, as well as the related interest and penalties.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

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 taxes relate to the same taxable entity and the same taxation authority.

f) Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows.

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements.

g) Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value measured on initial recognition of financial asset. Purchase and sale of financial assets are accounted for at trade date. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Cash and cash equivalents
Cash and cash equivalents in the balance sheet comprise cash in banks and short-term deposits and investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents are considered net of outstanding bank overdrafts that are repayable on demand and are considered part of the Group's cash management system. In the condensed consolidated interim balance sheet, bank overdrafts are presented under borrowings within current liabilities.

Financial assets at amortized cost
A financial instrument is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category includes cash and bank balances, loans and other receivables.

Financial assets at Fair Value through Other Comprehensive Income (OCI)
A financial asset is classified and measured at fair value through OCI if both of the following criteria are met:
i. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
ii. The asset's contractual cash flows represent solely payments of principal and interest.

Financial asset included within the OCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. Interest income is recognized in statement of profit and loss for debt instruments. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from OCI to statement of profit and loss.

Financial assets at fair value through profit and loss
Any financial asset, which does not meet the criteria for categorization at amortized cost or fair value through other comprehensive income, is calculated at fair value through profit and loss. Financial assets included at the fair value through profit and loss category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition of financial assets
A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.

Impairment of financial assets
The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Lifetime ECL allowance is recognized for trade receivables with no significant financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case they are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized in statement of profit and loss.

Financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The subsequent measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. Changes in fair value of such liability are recognized in the statement of profit or loss.

Financial liabilities at amortized cost
The company's financial liabilities include other payables, loans and borrowings including bank overdrafts.

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method except for deferred consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

h) Fair value measurement

The company records certain financial assets and liabilities at fair value on a recurring basis. The company determines fair values based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability.

The guidance of fair value specifies a hierarchy of valuation techniques based on whether the inputs to each measurement are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's assumptions about current market conditions. The fair value hierarchy also requires a company to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The prescribed fair value hierarchy and related valuation methodologies are as follows:

Level 1 - Quoted inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations, in which all significant inputs are directly or indirectly observable in active markets.

Level 3 - Valuations derived from valuation techniques, in which one or more significant inputs are unobservable inputs which are supported by little or no market activity.

In accordance with Ind AS 113, assets and liabilities are to be measured based on the following valuation techniques:

a) Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

b) Income approach – Converting the future amounts based on market expectations to its present value using the discounting methodology.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant who would use the asset in its highest and best use.

i) Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are computed by dividing the net profit attributable to the equity holders of the company 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.

j) Adoption of new accounting principles

Onerous contracts – cost of fulfilling a contract (amendment to Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets). The amendment clarified that the 'costs of fulfilling a contract' comprise both the incremental costs and allocation of other direct costs. The Company has adopted this amendment effective 1 January 2023 and the adoption did not have any material impact on its financial statements.

k) Recently issued accounting pronouncements

On 31 March 2023, the Ministry of Corporate Affairs (MCA), notified Companies (Indian Accounting Standards) Amendment Rules, 2023 effective from 1 April 2023. Following is key amended provision which is relevant for financial statements of the Company:

Disclosure of accounting policies (amendments to Ind AS 1 - Presentation of Financial Statements)

The amendments intend to assist in deciding which accounting policies to disclose in the financial statements. The amendments to Ind AS 1 require entities to disclose their material accounting policies rather than their significant accounting policies. The amendments provide guidance on how to apply the concept of materiality to accounting policy disclosures. The Company does not expect this amendment to have any significant impact in its financial statements.

Definition of accounting estimate (amendments to Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors)

The amendments distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Deferred tax related to assets and liabilities arising from a single transaction (amendments to Ind AS 12 – Income taxes)

The amendments specify how to account for deferred tax on transactions such as leases. The amendments clarify that lease transactions give rise to equal and offsetting temporary differences and financial statements should reflect the future tax impacts of these transactions through recognizing deferred tax. The Company is evaluating the impact, if any, in its financial statements

HCL Technologies Trinidad and Tobago Limited
Notes to financial statements for the year ended 31 December 2023
(All amounts in thousands of TTD, except share data and as stated otherwise)

2.1 Trade receivables

	As at	
	31 December 2023	**31 December 2022**
Billed		
Unsecured considered good (refer note 1 below)	3,419	4,748
Trade receivables - Gross	**3,419**	**4,748**
Loss Allowance for bad and doubtful debts	85	-
Trade Receivable - Current -	**3,334**	**4,748**
Unbilled recievables - Related parties	-	1
Unbilled recievables - Others	57	-
	3,391	**4,749**

Note 1:- Includes billed receivables from related parties amounting to TTD 1,693 as on 31 December 2023 and TTD 1,693 as on 31 December 2022 .

Trade receivables - current	**Not Due**	**Outstanding as at 31 December 2023 from the due date of payment**					
		Less than 6 months	**6 months – 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed – considered good	865	590	219	1,745			3,419
Significant increase in credit risk							-
Loss Allowance for bad and doubtful debts							85
							3,334
Unbilled receivables							57
							3,391

Trade receivables - current	**Not Due**	**Outstanding as at 31 December 2022 from the due date of payment**					
		Less than 6 months	**6 months – 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed – considered good	940	3,808					**4,748**
Impairment Allowance for bad and doubtful debts							-
							4,748
Unbilled receivables							1
							4,749

	As at	
	31 December 2023	**31 December 2022**
Balance with banks		
- in current accounts	6,412	3,914
	6,412	**3,914**

HCL Technologies Trinidad and Tobago Limited
Notes to financial statements for the year ended 31 December 2023
(All amounts in thousands of TTD, except share data and as stated otherwise)

2.3 Equity Share Capital

	As at	
	31 December 2023	**31 December 2022**
Authorized		
33,500 equity shares of USD 1 each (6.88 TTD each)	230	230
Issued, subscribed and fully paid up		
33,500 equity shares of USD 1 each (6.88 TTD each)	230	230

Terms / rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of USD 1/- . All the shares are owned by holding company HCL Technologies UK Limited , so holding company has voting rights. In the event of liquidation of the company, the holding company will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts.
HCL Technologies Trinidad and Tobago Limited is the wholly owned subsidiary of HCL Technologies UK Limited.

Reconciliation of the number of shares outstanding at the beginning and at the end of the year

	As at			
	31 December 2023		**31 December 2022**	
	No. of shares	**Amount**	**No. of shares**	**Amount**
Number of shares at the beginning	33,500	230	33,500	230
Add: Shares issued during the year	-	-	-	-
Number of shares at the end	**33,500**	**230**	**33,500**	**230**

Details of promoters holding in the company is as follows :-

Name of the shareholder	As at				% change during the year
	31 December 2023		**31 December 2022**		
	No. of shares	**% Holding**	**No. of shares**	**% Holding**	
Equity shares of USD 1 each fully paid					
HCL Technologies UK Limited, the holding company	33,500	100%	33,500	100%	0.00%

Details of shareholders holding more than 5 % shares in the company:-

Name of the shareholder	As at			
	31 December 2023		**31 December 2022**	
	No. of shares	**% Holding**	**No. of shares**	**% Holding**
Equity shares of USD 1 each fully paid				
HCL Technologies UK Limited, the holding company	33,500	100%	33,500	100%

As per the records of the Company, including its register of shareholders/members received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.
There are no bonus shares issued, no shares issued for consideration other than cash and no shares bought back immediately preceding the reporting date from date of incorporation

Capital management

The primary objective of the Company's capital management is to support business continuity and growth of the company while maximizing the shareholder value. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are generally met through operating cash flows generated.

HCL Technologies Trinidad and Tobago Limited
Notes to financial statements for the year ended 31 December 2023
(All amounts in thousands of TTD, except share data and as stated otherwise)

2.4 Trade payables

	As at	
	31 December 2023	**31 December 2022**
Billed		
Trade payables (refer note 2 below)	8,300	257
	8,300	**257**
Unbilled		
Unbilled and accruals - others	868	43
Unbilled and accruals -related parties	-	2,619
	868	**2,662**
	9,168	**2,919**

Note 2:- Includes billed payables to related parties amounting to TTD 8,042 as on 31 December 2023 and TTD 4,769 as on 31 December 2022 .

Particulars	**Not Due**	**Outstanding as at 31 December 2023 from the due date of payment**				
		Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Trade Payables	1	3,531	-	2,691	2,077	8,300
Unbilled and accruals						868
						9,168

Particulars	**Not Due**	**Outstanding as at 31 December 2022 from the due date of payment**				
		Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Trade Payables	257					257
Unbilled and accruals						2,662
						2,919

2.5 Other financial liabilities

	As at	
	31 December 2023	**31 December 2022**
Other payables (refer note 2.12)	-	4,769
	-	**4,769**

2.6 Other Current liabilities

	As at	
	31 December 2023	**31 December 2022**
VAT payables	121	-
	121	**-**

2.7 Revenue from operations

	Year ended	
	31 December 2023	**31 December 2022**
Sale of services	4,934	5,910
	4,934	**5,910**

Disaggregate Revenue Information

The disaggregated revenue from contracts with the customers is as follows:

	Year ended	
	31 December 2023	**31 December 2022**
Geography wise		
Europe	11	1,101
Angola	-	1,693
Trinidad,Tobago	4,923	3,116
Total	**4,934**	**5,910**

Remaining performance obligations

As at 31 December 2023, the aggregate amount of transaction price allocated to remaining performance obligations as per the requirements of Ind AS 115 was TTD 10,235 (31 December 2022, TTD 8032) out of which, approximately 39% in December 2023 (52% in December 2022) is expected to be recognized as revenues within one year and the balance beyond one year. This is after exclusions as below:

a) Contracts for which we recognize revenues based on the right to invoice for services performed,

b) Variable consideration allocated entirely to a wholly unsatisfied performance obligation or to a wholly unsatisfied promise to transfer a distinct good or service that forms part of a single performance obligation, or

c) Variable consideration in the form of a sales-based or usage-based royalty promised in exchange for a license of intellectual property.

2.8 Other income

	Year ended	
	31 December 2023	**31 December 2022**
Exchange differences (net)	-	3
	-	**3**

2.9 Finance cost

	Year ended	
	31 December 2023	**31 December 2022**
Interest expense	-	2
Bank charges	5	2
	5	**4**

2.10 Other expenses

	Year ended	
	31 December 2023	**31 December 2022**
Exchange difference (net)	2	-
Legal and professional charges	103	161
Rates and taxes	31	3
Dues and subscription	4	4
Provision for doubtful debts/ bad debts written off	85	-
	225	**168**

HCL Technologies Trinidad and Tobago Limited
Notes to financial statements for the year ended 31 December 2023
(All amounts in thousands of TTD, except share data and as stated otherwise)

2.11 Income taxes

	Year ended	
	31 December 2023	**31 December 2022**
Income tax charged to statement of profit and loss		
Current income tax charge	754	85
Deferred tax charge /(credit)	(26)	76
	728	**161**

The reconciliation between the provision for income tax and amount computed by applying the statutory income tax rate is as follows:

	Year ended	
	31 December 2022	**31 December 2022**
Profit before income tax	484	534
Statutory tax rate	30%	30%
Expected tax expense	145	161
Permanent difference (refer note 1 below)	583	-
Total taxes	**728**	**161**
Effective income tax rate	151%	30%

Note 1: Effective Tax Rate is higher than the statutory tax rate of 25% mainly due to disallowance of expense accrued for services availed from foreign affiliates till date under T&T tax laws basis updated evaluation.

Components of deferred tax assets and liabilities as on 31 December 2023

	Opening balance	Recognized in profit and loss	Recognised in / reclassified from OCI	Closing balance
Deferred tax assets				
Unrealised forex gain/(loss)	-	-	-	-
Provisions	-	26	-	26
Gross deferred tax assets (A)	**-**	**26**	**-**	**26**
Deferred tax liabilities				
Unrealised forex gain/(loss)	-	-		-
Gross deferred tax liabilities (B)	-	-	-	-
Net deferred tax assets/ (liabilities) (A-B)	**-**	**26**	**-**	**26**

Components of deferred tax assets and liabilities as on 31 December 2022

	Opening balance	Recognized in profit and loss	Recognised in / reclassified from OCI	Closing balance
Deferred tax assets				
Unrealised forex gain/(loss)	3	(3)	-	-
Provisions	72	(72)	-	-
Gross deferred tax assets (A)	**75**	**(75)**	**-**	**-**
Deferred tax liabilities				
Unrealised forex gain/(loss)	-	-		-
Gross deferred tax liabilities (B)	-	-	-	-
Net deferred tax assets/ (liabilities) (A-B)	**75**	**(75)**	**-**	**-**

2.11 Income tax asset

	As at	
	31 December 2023	**31 December 2022**
Advance tax refundable	13	13
Current tax	33	-
	46	**13**

2.11 Current tax liabilities

	As at	
	31 December 2023	**31 December 2022**
Current tax liabilities	-	158
	-	**158**

HCL Technologies Trinidad and Tobago Limited
Notes to financial statements for the year ended 31 December 2023
(All amounts in thousands of TTD, except share data and as stated otherwise)

2.12 Related party transactions
a) Related parties where control exists

Ultimate Holding company
HCL Technologies Limted, India

Holding company
HCL Technologies UK Limited

b) Related Party where transactions have taken place during the year

Fellow Subsidiary
Axon Solutions (Shanghai) Co. Limited
Filial Espanola De HCL Technologies S.L.
HCL (Brazil) Technologia Da Informacao EIRELI
HCL Asia Pacific Pte Limited
HCL Australia Services Pty. Limited
HCL Axon Solutions (Shanghai) Co., Limited
HCL Canada Inc.
HCL Hungary kft
HCLT Russia Branch
HCL Technologies Switzerland Branch
HCL Technologies Corporate Services
HCL Istanbul Bilisim Teknolojileri Limited sirketi
HCL Japan Limited
HCL Mexico S. de R.L.
HCL Technologies (Shanghai) Limited
HCL Technologies Limited Abu Dhabi
HCL Technologies Belgium BVBA
HCL Technologies Middle East FZ-LLC
HCL Technologies Norway AS
HCL Technologies Philippines, Inc
HCL Technologies Vietnam Company Limited

c) Transactions with related parties during the ordinary course of business

	Ultimate Holding company		Holding company		Fellow Subsidiaries	
	Year ended		Year ended		Year ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Revenue	-	1	-	1,100	10	1,693
Outsourcing cost	32	698	-	-	673	1,921

d) Outstanding balances of related parties

	Ultimate Holding company		Holding company		Fellow Subsidiaries	
	As at		As at		As at	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Trade payables - Billed	712	-	-	-	7,330	4,769
Trade payables - Unbilled and Accruals	-	698	-	-	-	1,921
Trade receivables - Unbilled	-	1	-	-	-	-
Trade receivables - Billed	-	-	-	-	1,693	1,693

2.13 Earning per share (EPS)

Particulars	As at	
	31 December 2023	31 December 2022
Net profit as per statement of profit and loss for computation of EPS	(244)	373
Weighted average number of equity shares outstanding in calculating basic and dilutive EPS	33,500	33,500
Nominal value of equity shares	6.88	6.88
Earning per equity share (Basic and Diluted)	**(7.28)**	**11.14**

2.14 Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available and their results are reviewed regularly by the chief operating decision maker (CODM), for allocation of resources and assessing performance.
The Company's ultimate holding company, HCL Technologies Limited's chief operating decision maker (CODM) reviews its results for allocation of resources and assessing performance by business segment comprising IT and business services, engineering and R&D services, and HCL Software. The ultimate Holding Company monitors the risk and returns of the Company's businesses on an entity level and evaluates the performance of the Company as one business segment.

Hence there is only one reportable segment of the Company, as envisaged under Indian Accounting Standards -108 "Operating segments".
Revenue disaggregation as per geography is given in note 2.6.

2.15 Financial Instruments

(a) Financial assets and liabilities

The carrying value of financial instruments by categories as at 31 December 2023 is as follows:

	Amortized Cost	Total Carrying Value
Financial assets		
Trade receivables (including unbilled)	3,391	3,391
Cash and cash equivalent	6,412	6,412
Total	**9,803**	**9,803**
Financial liabilities		
Trade payables (including unbilled and accruals)	9,168	9,168
Total	**9,168**	**9,168**

The carrying value of financial instruments by categories as at 31 December 2022 is as follows:

	Amortized Cost	Total Carrying Value
Financial assets		
Trade receivables (including unbilled)	4,749	4,749
Cash and cash equivalent	3,914	3,914
Total	**8,663**	**8,663**
Financial liabilities		
Trade payables (including unbilled and accruals)	2,919	2,919
Others (refer note 2.5)	4,769	4,769
Total	**7,688**	**7,688**

(b) Financial risk management

The Company is exposed to market risk, credit risk and liquidity risk which may impact the fair value of its financial instruments. The Company has a risk management policy to manage & mitigate these risks.

The Company's risk management policy aims to reduce volatility in financial statements while maintaining balance between providing predictability in the Company's business plan along with reasonable participation in market movement.

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk and interest rate risk. The Company is primarily exposed to fluctuation in foreign currency exchange rates.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in exchange rates. The Company's exposure to the risk of changes in exchange rates relates primarily to the Company's operations.
The exchange rate risk primarily arises from assets and liabilities denominated in curriences other than functional currency. An insignificant portion of the Company's revenue is in other foreign currency while a large protion of costs are in TTD. The fluctuation in exchnges rates in respect to TTD may not have potential impact on the statement of profit and loss and equity.
Appreciation / depreciation of 1% in respective foreign currencies with respect to functional currency of the Company would result in decrease / increase in the Company's profit before tax by TTD 90.02 for the year ended 31 December, 2023 and TTD 16.43 for the year ended 31 December, 2022.

The rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 1% against the respective functional currencies of the Company. The sensitivity analysis presented above may not be representative of the actual change.

Non-derivative foreign currency exposure as of 31 December 2023 in major currencies is as below:

	Net financial assets		**Net financial liabilities**	
	31 December 2023	**31 December 2022**	**31 December 2023**	**31 December 2022**
USD/TTD	31	3,383	6,848	5,026

(iii) Credit risk

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash and bank balances, trade receivables and finance lease receivables. The cash resources of the Company are invested with banks after an evaluation of the credit risk.By their nature, all such financial instruments involve risks, including the credit risk of non-performance by counterparties.

The customers of the Company are primarily corporations based in the Trinidad & Tobago and accordingly, trade receivables and unbilled receivables are concentrated in Trinidad & Tobago . The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of trade receivables, unbilled receivables and finance lease receivables.

The allowance for lifetime expected credit loss on customer balances is as below:

	As at	
	31 December 2023	**31 December 2022**
Balance at the beginning of the year	-	-
Additional/(Reversal of) provision	85	-
Deductions on account of write offs	-	-
Balance at the end of the year	**85**	**-**

(iv) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities. The investment philosophy of the Company is capital preservation and liquidity in preference to returns. The Company consistently generates sufficient cash flows from operations and has access to multiple sources of funding to meet the financial obligations and maintain adequate liquidity for use.
Maturity profile of the Company's financial liabilities based on contractual payments is as below:

	Year 1 (Current)	**Year 2**	**Year 3**	**Year 4-5 and thereafter**	**Total**
As at 31 December 2023					
Trade payables (including unbilled and accruals)	9,168	-	-	-	9,168
As at 31 December 2022					
Trade payables (including unbilled and accruals)	2,919	-	-	-	2,919
Others (refer note 2.5)	4,769	-	-	-	4,769
Total	**7,688**	**-**	**-**	**-**	**7,688**

HCL Technologies Trinidad and Tobago Limited
Notes to financial statements for the year ended 31 December 2023
(All amounts in thousands of TTD, except share data and as stated otherwise)

2.16 Ratio

Ratio	Numerator	Denominator	Units	Year ended		%Variance
				31 December 2023	31 December 2022	
Current ratio	Current assets	Current liabilities	Times	1.06	1.11	-4%
Return on equity ratio	Profit for the year	Average total equity	%	-34	58	-159%
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	Times	1.21	2.02	-40%
Trade payables turnover ratio	Net credit purchases	Average trade payables	Times	0.74	2.91	-75%
Net capital turnover ratio	Revenue from operations	Working capital (refer note below 1)	Times	8.81	7.12	24%
Net profit ratio	Profit for the year	Revenue from operations	%	(5)	6	-178%
Return on capital employed	Earning before interest and taxes	Capital employed (refer note 2 below)	%	86	65	32%

Notes :
(1) Working capital = current assets - current liabilities
(2) Capital employed = Net Worth - Deferred Tax Assets (Net)
(3) Average is calculated based on simple average of opening and closing balances

Explanation where change in the ratio is more than 25%

1. Return on equity ratio - There is decrease of 159% in ROE in current year compared to previous year. This is due to disallowance of expense accrued for services availed from foreign affiliates till date under T&T tax laws basis updated evaluation. This resulted in net loss in current year as compared to net profit in previous year.

2. Trade receivables turnover ratio - Trade receivables turnover ratio is in decreasing trend in current year due to decrease in revenue for current year, and increase in average trade receivable .

3. Net profit ratio - Net profit ratio is decreasing massively in current year as entity turned into losses in current year due to disallowance of expense accrued for services availed from foreign affiliates till date under T&T tax laws basis updated evaluation which resulted in higher tax expense in comparison with profit before tax whereas it has a profit in previous year.

4. Return on capital employed - There is increase in Return on capital employed in current year due to reduction in capital employed because entity has suffered net loss in current year as compared to profit in previous year leading better capital employed.

5. Trade payables turnover ratio - There is decrease in Trade payables turnover ratio in current year due to decrease in net credit purchases for current year as compared to previous year and increase in average trade payable in current year.

2.17 Subsequent event

The Company has evaluated all the subsequent events through 17th May 2024, which is the date on which these financial statements were issued, and no events have occurred from the balance sheet date through that date except for matters that have already been considered in the financial statements.

2.18 The Company has presented its financial statements in "TTD in thousands" and accordingly, amounts less than ` 0.50 crores are presented as "-".

As per our report of even date

For B S R & Co. LLP
Firm's Registration No.: 101248W/W-100022
Chartered Accountants

Prince Sharma
Prince Sharma (May 17, 2024 19:40 GMT+5.5)

Prince Sharma
Partner
Membership no.: 521307

Gurugram, India
Date: 17 May, 2024

For and on behalf of the Board of Directors
of HCL Technologies Trinidad and Tobago Limited

Shiv Walia
Shiv Walia (May 17, 2024 13:45 GMT+1)

Shiv Walia
Director
Berkshire, UK

Date: 17 May, 2024

Raghu Raman Lakshmanan
Raghu Raman Lakshmanan (May 17, 2024 08:03 CDT)

Raghu Raman Lakshmanan
Director
USA

Date: 17 May, 2024