

HCL INFOSYSTEMS LTD.

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Registered Office: 806 Siddharth, 96, Nehru Place, New Delhi- 110019. India.

Corporate Identity Number - L72200DL1986PLC023955

www.hclinfosystems.in

www.hcl.com

13th February, 2024

To

The General Manager Department of Corporate Relations BSE Limited Sir Phiroze Jeejeebhoy Towers Dalal Street Fort Mumbai 400 001	The Vice President Listing Department The National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex Bandra (East) Mumbai 400 051
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Sub: Press Release- Consolidated and Standalone Unaudited Financial Results for quarter ended December, 2023

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

Dear Sirs,

We are forwarding a copy of the press release being made by HCL Infosystems Limited on the Consolidated and Standalone, Unaudited Financial Results of the Company for the quarter ended 31st December, 2023.

The Consolidated and Standalone Unaudited Financial Results for the quarter ended 31st December, 2023, approved by the Board of Directors and the press Release thereon will also be available on the Company's website, www.hclinfosystems.in

Please take this on record.

Very Truly Yours,

For HCL Infosystems Limited

Komal Bathla
Company Secretary & Compliance Officer
Membership No. A41455

Encl: As above.

HCL Infosystems registers Rs. 8.16 Crores revenue with operating loss of Rs. 9.30 Crores in Q3'FY24

February 13, 2024, New Delhi

Q3' FY24 Business Highlights:

- **Q3'24** revenue was Rs. 8.16 Crores
- Systems Integration and Solutions business reported revenue of Rs. 6.78 Crores
- Loss Before Tax after considering exceptional items was Rs. 9.30 Crores as against profit of Rs. 4.84 reported in Q2'24 as explained below:
 - Q3 expenses include higher legal costs for ongoing arbitration proceedings
 - Q2 included an exceptional gain of Rs. 11.96 Crores on account of sale of property.

HCL Infosystems today announced its financial results for the quarter ended Dec 31st, 2023.

Mr. Raj Sachdeva, Manager of HCL Infosystems Ltd, commenting on the results' said, *"In Q3'24, the Company continued to focus on arbitration proceedings, expediting deliverables of existing projects and improving collection of receivables from customers.*

Company Update

As previously mentioned in our news releases, our Systems Integration and Solutions business has continued to face challenges in obtaining timely customer acceptance and sign-offs for completed projects, leading to delays in receiving payments. As a result, though the number of contracts reaching closure has increased, there is no significant progress in recovering outstanding receivables from customers. To address this issue, the Company has taken the step of initiating arbitration proceedings against several customers to recover the dues owed. Due to multiple legal arbitration proceedings and legacy issues, significant effort and cost is being incurred on legal and legacy matters.

Re-appointment of Dr. Nikhil Sinha for second term

The Board of Directors of the Company in their meeting held today i.e., 13th February 2024, have re-appointed Dr. Nikhil Sinha as Independent Director, not liable to retire by rotation, for a second term of five consecutive years from 1st April 2024 to 31st March 2029, subject to the approval by the Members of the Company.

Legal update

During the quarter, that Company received:

1. a favorable award of approximately Rs. 30 Crores from the Arbitral Tribunal against the respondent company.
2. A final decision on the remaining items in the arbitration filed by Company against a government owned public sector telecom company as follows:
 - The claim of the Company seeking refund of BG (worth INR 5 Crore) encashed by respondent has been disallowed as the encashment has been held to be justified. However, there is no further impact on P&L of the Company as it was provided for in earlier years.
 - The Tribunal also disallowed the Company's other Claims towards Project implementation expenses and loss of profit amounting to INR 16 Crore (approx.).
 - The Counter Claims worth INR 199 Crore filed by the customer (respondent) against the Company have also been disallowed.

The above awards given by the Arbitral Tribunal are subject to appeals in higher courts.

About HCL Infosystems

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

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