

HCL INFOSYSTEMS LTD.

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Corporate Identity Number - L72200DL1986PLC023955
www.hclinfosystems.in
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14th November, 2024

To

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| The General Manager BSE Limited Sir Phiroze Jeejeebhoy Towers Dalal Street Fort Mumbai 400 001 | The Vice President Department of Corporate Relations 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

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 Unaudited Financial Results of the Company for the quarter ended 30th September, 2024.

Please take this on record.

Very Truly Yours,

For HCL Infosystems Limited

Komal Bathla
Company Secretary & Compliance Officer
Membership No. A41455

Encl: As above.

14th November 2024

HCL Infosystems registers Rs. 679 Lakhs revenue in Q2'FY25.

Q2' FY25 Business Highlights:

- Q2'25 revenue was Rs. 679 Lakhs
- Loss Before Tax was Rs. 784 Lakhs

The current quarter results were impacted mainly due to:

1. The revenue for the current quarter of Rs. 679 Lakhs is lower than the last quarter revenue of Rs. 747 Lakhs. This is mainly on account of completion of Facility Management Services of Jh- RAPDRP during the current quarter. We expect the revenue of the Company will continue to contract for the foreseeable future.
2. The PBT loss was higher than immediately preceding quarter mainly due to increase in legal expenses towards ongoing arbitrations and related costs during the quarter.

HCL Infosystems today announced its financial results for the quarter ended Sep 30th, 2024.

Mr. Raj Sachdeva, Manager of HCL Infosystems Ltd, commenting on the results' said, "In Q2'25, *the management of the Company remained committed to actions and initiatives that can help reduce future operational losses and expedite deliverables of existing projects to help realize our long outstanding receivables.*"

Company update

As stated in our earlier news releases, despite our best efforts, our business continues to face challenges in securing timely customer acceptance and project sign-offs. These persistent delays are resulting in substantial payment holdups and impacting our financial stability. Despite an increase in the number of contracts reaching closure, we have not made meaningful progress in recovering outstanding receivables.

To address this issue, the Company has initiated arbitration proceedings against several customers to recover the dues owed. However, due to the complexity of multiple legal arbitration proceedings and the legacy issues accumulated over an extended period, significant effort and costs are being incurred in managing these legal and historical matters.

In addition, the company continues to incur significant cost to execute projects, comply with the regulatory requirements of a listed entity, maintain internal financial controls, provide ongoing support for litigations and legacy matters and make provision for unutilized GST Input Tax Credit. Consequently, the Company foresees limited business opportunities in the near future..

Because of our continued focus on arbitrations to recover dues, the Company received a favorable arbitration award during the quarter amounting to around Rs. 936 Lakhs. However, the customer has got the right to go for further appeal.

The arbitration proceedings are progressing and we shall keep stakeholders informed about any major or important developments on arbitration.

Re-appointment of Non-Independent and Non-Executive Director:

The members of the Company in their Annual General Meeting held on 18th September 2024, re-appointed Mr. Pawan Kumar Danwar as Non-Independent and Non-Executive Director, liable to retire by rotation.

About HCL Infosystems

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

| Media Contact Information | |
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